

HGWSC WATER TARIFF

Docket Number: 58542

HIGH GABRIEL WATER SUPPLY CORPORATION
(HGWSC)

100 Skyview Terrace
Leander, TX 78641
www.highgabrielwsc.com

This tariff is effective for HGWSC operations under the following Certificate of Convenience and Necessity: **10932**

This tariff is effective in the following counties: Williamson County

This tariff is effective in the unincorporated community of High Gabriel Estates.

This tariff is effective in the following water aquifers: Trinity Aquifer.

The HGWSC is part of the Brazos River Authority.

The mission of the High Gabriel Water Supply Corporation (HGWSC) is to provide safe drinking water to its members at the lowest cost consistent with sound economy and good management. The HGWC is a non-profit, member-owned, tier 1, water supply corporation. The system currently serves 165 customers of the High Gabriel Subdivision, located three miles north of Leander, Texas, on the east and west sides of US Highway 183. The High Gabriel Water Supply Corporation is administered by an elected and volunteer board of directors. The By-Laws of HGWSC are available on the HGWSC website (address listed above).

A map of the unincorporated service area is shown on page 2. Residents living within this area can choose to become a member of the HGWSC and receive treated water piped to a metered connection near their property. The HGWSC currently owns three wells: one of which is fully operational, one of which is seasonal. In unusual financial situations, operational assessments may be levied equally among members to cover costs for water system upgrades (e.g., new well construction) and financial shortfalls.

Map of unincorporated community of High Gabriel Estates & HGWSC service area:

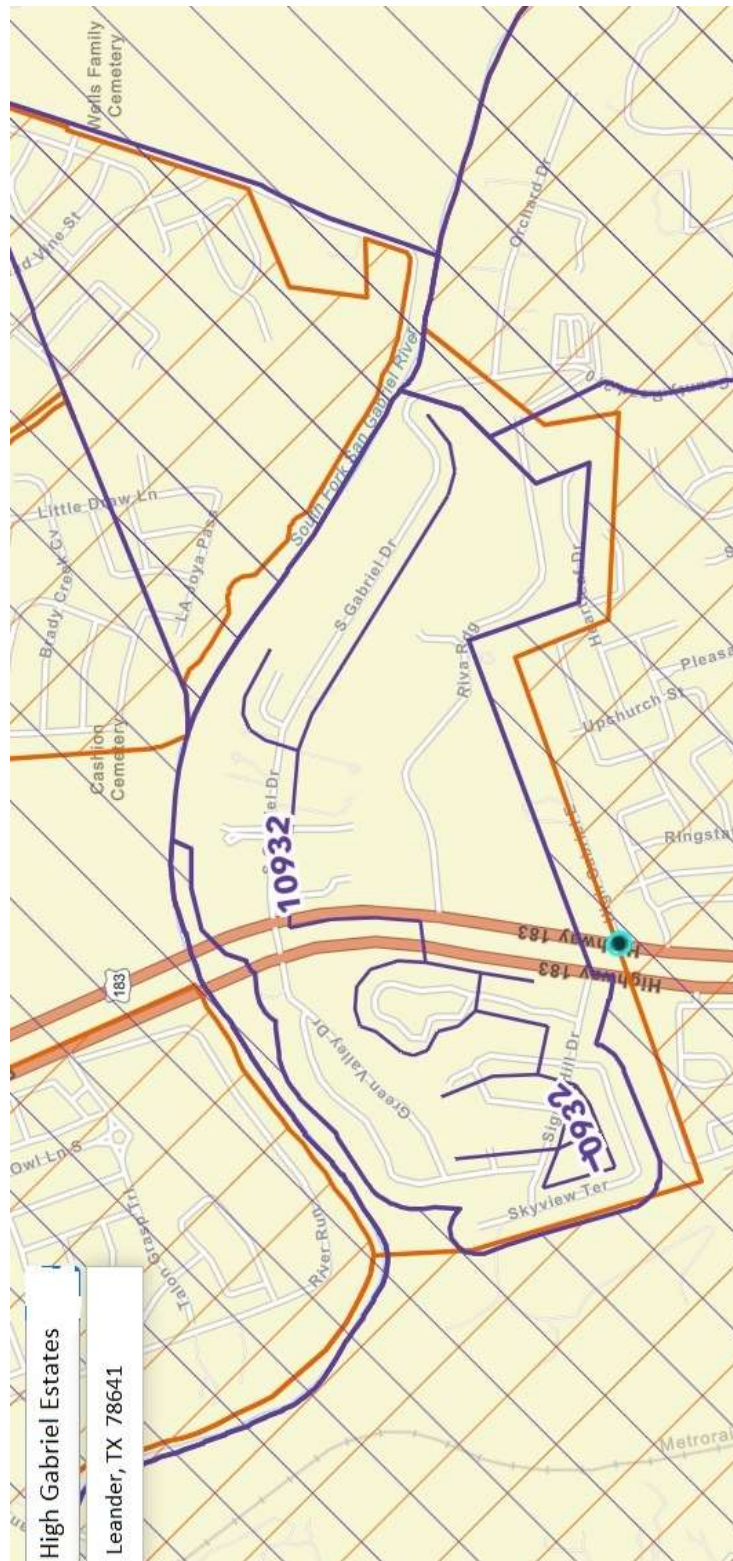


TABLE OF CONTENTS

The High Gabriel Water Supply Corporation (HGWSC) lists the following sections of its tariff:

TABLE OF CONTENTS

SECTION 1.0 -RATE SCHEDULE	4
SECTION 2.0 - SERVICE RULES AND POLICIES	6
SECTION 3.0 - EXTENSION POLICY	15
APPENDIX A - DROUGHT CONTINGENCY PLAN	19
APPENDIX B - APPLICATION FOR SERVICE	26

SECTION 1.0 - RATE SCHEDULE

Section 1.01 – Rates

Meter Size			
5/8" tap		\$ 49.00 Base per calendar month	
\$ 4.00	per 1000 gallons	0 – 10,000 gallons	
\$ 4.50	per 1000 gallons	10,001 – 20,000 gallons	
\$ 7.00	per 1000 gallons	20,001 – 30,000 gallons	
\$ 10.00	per 1000 gallons	>30,000 gallons	

FORM OF PAYMENT: The HGWSC accepts the following forms of payment:
Check, Credit Card, or Texas Water Corp. direct withdrawal account.

REGULATORY ASSESSMENT

0.5%

PUC RULES REQUIRE THE HGWSC TO COLLECT A FEE OF HALF OF ONE PERCENT OF THE RETAIL MONTHLY BILL AND REMIT THE FEE TO THE TCEQ.

Section 1.02 - Miscellaneous Fee

TAP FEE

\$6,000.00

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

TAP FEE (Unique Costs)

Actual Cost

Not anticipated.

TAP FEE (Large Meter)

Actual Cost

TAP FEE IS THE HGWSC'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED. A larger size must be approved at the discretion of the HGWSC Board for a legitimate reason.

METER RELOCATION FEE

Actual Relocation Cost, Not to Exceed Tap Fee

THIS FEE MAY BE CHARGED IF A MEMBER REQUESTS THAT AN EXISTING METER BE RELOCATED.

METER TEST FEE

THIS FEE WHICH SHOULD REFLECT THE HGWSC'S COST MAY BE CHARGED IF A MEMBER REQUESTS A SECOND METER TEST WITHIN A TWO-YEAR PERIOD AND THE TEST INDICATES THAT THE METER IS RECORDING ACCURATELY. THE FEE MAY NOT EXCEED \$100.

SECTION 1.0 – RATE SCHEDULE (Continued)

RECONNECTION FEE

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

- | | |
|--|------------------|
| a) Nonpayment of bill | \$ <u>100.00</u> |
| b) Member's request that service be disconnected | \$ <u>100.00</u> |
| c) _____ | \$ _____ |

TRANSFER FEE

\$ n/a

HGWSC by-laws do not permit transfer of memberships. New memberships will be issued instead for a particular service location.

LATE CHARGE

10% of bill

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

RETURNED CHECK CHARGE

\$ 25.00

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

MEMBER DEPOSIT - RESIDENTIAL

\$ 50.00

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE

\$ shared cost

WHEN AUTHORIZED IN WRITING BY PUC AND AFTER NOTICE TO MEMBERS, THE HGWSC MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [P.U.C. SUBST. R. 24.21(k)(2)]

LINE EXTENSION AND CONSTRUCTION CHARGES:

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

SECTION 2.0 - SERVICE RULES AND POLICIES

The HGWSC will have links to the most current Public HGWSC Commission of Texas (PUC or commission rules relating to HGWSC regulations, available on its website for reference purposes.) The Rules and this tariff shall be available for public inspection and reproduction at a reasonable cost. The latest Rules or commission approved changes to the Rules supersede any rules or requirements in this tariff.

Section 2.01 - Application for Water Service

All applications for service will be made on the HGWSC'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 HGWSC. A separate application or contract will be made for each service location.

Section 2.02 - Refusal of Service

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

Section 2.03 – Fees, Charges, & Easements Required Before Service Can Be Connected

(A) Member Deposits

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

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

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

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

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

(B) Tap or Reconnect Fees

A new member requesting service at a location where service has not previously been provided must pay a tap fee as provided in Section 1. A member requesting service where service has previously been provided must pay a reconnect fee as provided in Section 1. Any applicant or existing member 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 member does not believe that these costs are reasonable or necessary, the applicant or existing member shall be informed of their right to appeal such costs to the PUC or such other regulatory authority having jurisdiction over the HGWSC's rates in that portion of the HGWSC's service area in which the applicant's or existing member's property(ies) is located.

Fees in addition to the regular tap fee may be charged if listed specifically in Section 1 to cover unique costs not normally incurred as permitted by P.U.C. SUBST. R. 24.86(a)(1)(C). For example, a road bore for members could be considered a unique cost. Cost of repairs to HGWSC property damaged by members is also a unique cost.

(C) Easement Requirement

Where recorded public HGWSC 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 HGWSC may require the applicant to provide it with a permanent recorded public HGWSC 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 2.0 – SERVICE RULES AND POLICIES (Continued)

Section 2.04 - HGWSC Response to Applications for Service

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

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

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

Section 2.06 - Member Service Inspections

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

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

Section 2.07 - Back Flow Prevention Devices

No water connection shall be allowed to any residence or establishment where an actual or potential contamination hazard exists unless the public water facilities are protected from contamination by either an approved air gap, backflow prevention assembly, or other approved device. The type of device or backflow prevention assembly required shall be determined by the specific potential hazard identified in Title 30 Texas Administrative Code (TAC) §290.47(i) Appendix I, Assessment of Hazards and Selection of Assemblies of the TCEQ Rules and Regulations for Public Water Systems.

The use of a backflow prevention assembly at the service connection shall be considered as additional backflow protection and shall not negate the use of backflow protection on internal hazards as outlined and enforced by local plumbing codes. When a member service inspection certificate indicates that an adequate internal cross-connection control program is in effect, backflow protection at the water service entrance or meter is not required.

At any residence or establishment, where it has been determined by a member service inspection that there is no actual or potential contamination hazard, as referenced in 30 TAC §290.47(i) Appendix I, Assessment of Hazards and Selection of Assemblies of the TCEQ Rules and Regulations for Public Water Systems, then a backflow prevention assembly or device is not required. Outside hose bibs do require, at a minimum, the installation and maintenance of a working atmospheric vacuum breaker.

All backflow prevention assemblies or devices shall be tested upon installation by a TCEQ certified backflow prevention assembly tester and certified to be operating within specifications. Backflow prevention assemblies which are installed to provide protection against health hazards must also be tested and certified to be operating within specifications at least annually by a certified backflow prevention assembly tester.

If the HGWSC determines that a backflow prevention assembly or device is required, the HGWSC will provide the member or applicant with a list of TCEQ certified backflow prevention assembly testers. The member will be responsible for the cost of installation and testing, if any, of backflow prevention assembly or device. The member should contact several qualified installers to compare prices before installation. The member must pay for any required maintenance and annual testing and must furnish a copy of the test results demonstrating that the assembly is functioning properly to the HGWSC within 30 days after the anniversary date of the installation unless a different date is agreed upon.

SECTION 2.0 - SERVICE RULES AND POLICIES (Continued)

Section 2.08 - Access to Member's Premises

HGWSC owns and is responsible to maintain water lines from tanks to members' meters. Each member owns and is responsible to maintain water lines from meter to member's house.

The HGWSC will have the right of access to the member's easement at all reasonable times for the purpose of installing, testing, inspecting or repairing water mains or other equipment used in connection with its provision of water service, or for the purpose of removing its property and disconnecting lines, and for all other purposes necessary to the operation of the HGWSC system including inspecting the member's plumbing for code, plumbing or tariff violations. The member shall allow the HGWSC and its personnel access to the easement on member's property to conduct any water quality tests or inspections required by law. Unless necessary to respond to equipment failure, leak or other condition creating an immediate threat to public health and safety or the continued provision of adequate HGWSC service to others, such entry upon the member's property shall be during normal business hours and the HGWSC personnel will notify the member in advance that they will be working on the member's property. The member may require any HGWSC representative, employee, contractor, or agent seeking to make such entry identify themselves, their affiliation with the HGWSC, and the purpose of their entry.

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

Section 2.09 - Meter Requirements, Readings, and Testing

One meter is required for each residential connection. All water sold by the HGWSC will be billed based on meter measurements. The HGWSC will provide, install, own, and maintain meters to measure amounts of water consumed by its members.

Meters will be read at monthly intervals and as nearly as possible on the corresponding day of each monthly meter reading period unless otherwise authorized by the Commission.

SECTION 2.0 - SERVICE RULES AND POLICIES(Continued)

The HGWSC will, upon the request of a member, and, if the member so desires, in his or her presence or in that of his or her authorized representative, make without charge a test of the accuracy of the member's meter. If the member asks to observe the test, the test will be made during the HGWSC's normal working hours at a time convenient to the member. Whenever possible, the test will be made on the member's premises, but may, at the HGWSC's discretion, be made at the HGWSC's testing facility. If within a period of two years the member requests a new test, the HGWSC will make the test, but if the meter is found to be within the accuracy standards established by the American Water Works Association, the HGWSC will charge the member a fee which reflects the cost to test the meter up to a maximum \$100 for a residential member. Following the completion of any requested test, the HGWSC will promptly advise the member of the date of removal of the meter, the date of the test, the result of the test, and who made the test.

Section 2.10 - Billing

(A) Regular Billing

Bills from the HGWSC will be mailed monthly unless otherwise authorized by the Public Utilities Commission. The due date of bills for HGWSC 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 HGWSC will constitute proof of the date of issuance. Payment for HGWSC service is delinquent if full payment, including late fees and the regulatory assessment, is not received at the HGWSC or the HGWSC's authorized payment agency by 5:00 p.m. on the due date. If the due date falls on a holiday or weekend, the due date for payment purposes will be the next workday after the due date.

(B) Late Fees

A late penalty of either \$5.00 or 10.0% will be charged on bills received after the due date. The penalty on delinquent bills will not be applied to any balance to which the penalty was applied in a previous billing. The HGWSC must maintain a record of the date of mailing to charge the late penalty.

(C) Information on Bill

Each bill will provide all information required by the PUC Rules. The HGWSC will maintain and note on the monthly bill a local or toll-free telephone number (or numbers) to which members can direct questions about their water 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 HGWSC will not 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 HGWSC service shall be delivered or mailed to the HGWSC's authorized payment agency. If the business office fails to receive payment prior to the time of noticed disconnection for non-payment of a delinquent account, service will be terminated as scheduled. HGWSC service crews shall not be allowed to collect payments on member 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 member has two returned payments within a twelve-month period, the member shall be required to make a deposit if one has not already been established.

Section 2.12 - Service Disconnection

(A) With Notice

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

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

B) Without Notice

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

SECTION 2.0 - SERVICE RULES AND POLICIES (Continued)

Section 2.13 - Reconnection of Service

HGWSC 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 member's request or due to a hazardous condition.

Service will be reconnected within 36 hours after the past due bill, reconnect fees and any other outstanding charges are paid or the conditions which caused service to be disconnected are corrected.

Section 2.14 - Service Interruptions

The HGWSC will make all reasonable efforts to prevent interruptions of service. If interruptions occur, the HGWSC will re-establish service within the shortest possible time. Except for momentary interruptions due to automatic equipment operations, the HGWSC 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 HGWSC will plan, furnish, and maintain production, treatment, storage, transmission, and distribution facilities of sufficient size and capacity to provide a continuous and adequate supply of water for all reasonable consumer uses. Unless otherwise authorized by the TCEQ, the HGWSC will maintain facilities as described in the TCEQ Rules and Regulations for Public Water Systems.

Section 2.16 - Member Complaints and Disputes

If a member or applicant for service lodges a complaint, the HGWSC 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 HGWSC's response, the HGWSC must advise the complainant that he has recourse through either the TCEQ or PUC complaint process, depending on the nature of the complaint. Pending resolution of a complaint, the commission may require continuation or restoration of service.

SECTION 2.0 - SERVICE RULES AND POLICIES (Continued)

The HGWSC 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 member and the HGWSC regarding any bill for water service, the HGWSC will conduct an investigation and report the results to the member. If the dispute is not resolved, the HGWSC will inform the member that a complaint may be filed with the commission.

Section 2.17 - Member Liability

Member shall be liable for any damage or injury to HGWSC-owned property shown to be caused by the member.

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 MEMBER EXCEPT AS PROVIDED FOR IN THIS APPROVED EXTENSION POLICY.

The HGWSC 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 HGWSC and the applicant, in compliance with PUC rules and policies, and upon extension of the HGWSC's certified service area boundaries by the PUC.

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

The HGWSC 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 HGWSC and the applicant, in compliance with PUC rules and policies, and upon extension of the HGWSC's certificated service area boundaries by the PUC.

Section 3.02 - Costs Utilities and Service Applicants Shall Bear

Within its certified area, the HGWSC will pay the cost of the first 200 feet of any water main or distribution line necessary to extend service to an individual residential member's meter within the platted subdivision.

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

SECTION 3.0 - EXTENSION POLICY (Continued)

Residential members will be charged the equivalent of the costs of extending service to their property from the nearest transmission or distribution line even if that line does not have adequate capacity to serve the member. However, if the member places unique, non-standard service demands upon the system, the member 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.

If an applicant requires service other than the standard service provided by the HGWSC, such applicant will be required to pay all expenses incurred by the HGWSC 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.

SECTION 3.0 - EXTENSION POLICY (Continued)

Section 3.04 - Appealing Connection Costs

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

Section 3.05 - Applying for Service

The HGWSC will provide a written service application form to the applicant for each request for service received by the HGWSC'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 HGWSC's business office during normal weekday business hours. Service applications will be sent by prepaid first class United States mail to the address provided by the applicant upon request. Completed applications should be returned by hand delivery in case there are questions which might delay fulfilling the service request. Completed service applications may be submitted by mail if hand delivery is not possible.

Where a new tap or service connection is required, the service applicant shall be required to submit a written service application and request that a tap be made. A diagram, map, plat, or written metes and bounds description of precisely where the applicant desires each tap or service connection is to be made and, if necessary, where the meter is to be installed, along the applicant's property line may also be required with the tap request. The actual point of connection and meter installation must be readily accessible to HGWSC personnel for inspection, servicing, and meter reading while being reasonably secure from damage by vehicles and mowers. If the HGWSC has more than one main adjacent to the service applicant's property, the tap or service connection will be made to the HGWSC's nearest service main with adequate capacity to service the applicant's full potential service demand. Beyond the initial 200 feet, the member 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 HGWSC. If no agreement on location can be made, the applicant may refer the matter to the PUC for resolution.

SECTION 3.0 - EXTENSION POLICY (Continued)

Section 3.06 - Qualified Service Applicant

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

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

APPENDIX A – DROUGHT CONTINGENCY PLAN

Resolution No. 120502

A RESOLUTION OF THE BOARD OF DIRECTORS
ADOPTING A DROUGHT CONTINGENCY PLAN FOR
HIGH GABRIEL WATER SUPPLY CORPORATION.

WHEREAS, the Board recognizes that natural limitations of the ground water supply due to drought conditions and other acts of God cannot guarantee an uninterrupted water supply for all purposes;

WHEREAS, Section 12.1272 of the Texas Water Code and applicable rules of the Texas Commission of Environmental Quality require all public water supply systems to prepare a drought contingency plan;

WHEREAS, as authorized under law, and in the best interests of the customers of High Gabriel Water Supply Corporation, the Board deems it expedient and necessary to establish certain rules and policies for the orderly and efficient management of limited water supplies during drought and other water supply emergencies;

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF HIGH GABRIEL WATER SUPPLY CORPORATION:

SECTION 1. That the Drought Contingency Plan attached hereto as exhibit "A" and hereby adopted as the official policy of High Gabriel Water Supply Corporation.

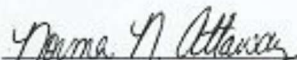
SECTION 2. That the System Manager is hereby directed to implement, administer, and enforce the Drought Contingency Plan.

SECTION 3. That this resolution shall take effect immediately upon its passage.

DULY PASSED BY THE BOARD OF DIRECTORS OF HIGH GABRIEL WATER SUPPLY CORPORATION, ON THIS 15th day of December 2002.


President, Board of Directors

ATTESTED TO:


Secretary, Board of Directors

DROUGHT CONTINGENCY PLAN FOR HIGH GABRIEL WATER SUPPLY CORPORATION

I. Declaration of Policy, Purpose, and Intent

In order to conserve the available water supply and protect the integrity of the system during shortages in ground storage or other water supply emergencies, High Gabriel WSC ("HGWSC") adopts the following Drought Contingency Plan ("Plan").

II. Public Involvement

As a non-profit WSC with an elected 5 member Board of Directors whose meetings are open to the general membership of the corporation, HGWSC makes this Plan available to its members and customers for comment and review. A copy of the Plan is available at minimal charge.

III. Authorization to Implement Plan

The Board of Directors ("the Board") authorizes the System Manager or designee to implement the Plan immediately upon determination by the System Manager that such implementation is necessary to protect the health, safety, and welfare of its customers.

IV. Application

The provisions of this Plan shall apply to all customers utilizing water provided by HGWSC. The terms "person" and "customer" as used in the Plan include individuals, corporations, partnerships, associations, and all other legal entities.

V. Triggering Criteria for Initiation and Termination of Drought Response Stages.

The System Manager or designee shall monitor water supply and usage on a daily basis and shall determine when conditions warrant initiation or termination of each stage of the Plan. Customer notification of initiation and termination of Plan stages will be made by posting signage within the service area of HGWSC and/or by telephone.

The triggering criteria describes below are based on historical patterns of usage during climatic conditions which result in little or no rainfall over time periods of several weeks, and, generally, by daily air temperatures in the 90 to 100+ degree range.

¶ Stage 1 – Mild Water Shortage Conditions

Initiation of Stage 1 is recognition that a mild water shortage condition exists when either:

1. Ground water storage tank levels fall below 15 feet (75%) for a 48-hour period.
2. Well production falls between 110 and 120 gpm.

Termination of Stage 1 may be rescinded when one or both of the above conditions listed as triggering events have ceased to exist for a period of 24 hours. The System Manager shall notify the customers of termination of Stage 1 in the same manner as used for initiation.

p Stage 2 – Moderate Water Shortage Conditions

Initiation of Stage 2 is recognition that a moderate water shortage condition exists when either:

1. Ground water storage tank levels fall below 10 ft. (50%) for a 24 hour period.
2. Well production falls to below 100 and 110 gpm.

Termination of Stage 2 may be rescinded when one or both of the above conditions listed as triggering events have ceased to exist for a period of 24 hours. The System Manager shall notify the customers of termination of Stage 2 in the same manner as used for initiation.

(c) Stage 3 – Severe Water Shortage Conditions

Initiation of Stage 3 is recognition that a severe water shortage condition exists when either:

1. Ground water storage tank levels fall below 8 ft. (40%) for a 12 hour period.
2. Well production falls to below 100 gpm.

Termination of Stage 3 may be rescinded when one or both of the above conditions listed as triggering events have ceased to exist for a period of 24 hours. The System Manager shall notify the customers of termination of Stage 3 in the same manner as used for initiation.

(d) Stage 4 – Emergency Water Shortage Conditions

Initiation of Emergency Water Shortage Conditions will recognize that an emergency is occurring due to water line breaks, pump failures, contamination either natural or man-made, or any other unforeseeable occurrence that threatens the health and safety of HGWSC customers.

Termination of Emergency Water Shortage Conditions may be rescinded upon determination by the System Manager through either laboratory test results or any other means at his discretion that the system is safe and the water supply is potable.

VI. Customer Drought Response Stages

Stage 1 – Mild Water Shortage Conditions

It shall be the goal of the System Manager to “level out” usage by the customers so that peak demand periods do not reduce the storage tank levels to below 15 feet over a 48-hour period.

The System Manager shall implement an “even/odd” outside watering schedule for all customers of HGWSC. The schedule shall be based upon the customers street address and require that all outside watering be done upon those days that coincide with the last digit of the customers street address, i.e. odd waters on odd numbered days.

The System Manager shall take into account the fact that, unlike urban areas, HGWSC serves a more rural community, which may require slight modification of this “even/odd” schedule. The System Manager will notify any customer in writing that their address needs to be “modified” for purpose of leveling out high usage patterns in a particular area of the water supply system.

Stage 2 – Moderate Water Shortage Conditions

It shall be the goal of the System Manager to reduce usage by the customers to a point that does not reduce storage tank levels to below 10 feet over a 24-hour period.

The System Manager shall implement an “even/odd” outside watering schedule as outlined in Stage 1, but in addition will limit outside watering to once every 5 days. Hand-held hoses will be allowed for spot watering shrubs, plants, and lawns. No hoses will be allowed to openly flow without being held by the customer.

Stage 3 – Severe Water Shortage Conditions

It shall be the goal of the System Manager to reduce usage by the customers to a point that does not reduce storage tank levels to below 8 feet over a 12-hour period.

The System Manager will implement a ban on all outside water usage in order to conserve water supplies for inside use only. Signage will be posted on all major street intersections within the service area advising “no outside water usage”.

Stage 4 – Emergency Water Shortage Conditions

It shall be the goal of the System Manager to restore service to any and all customers who may experience curtailed water service due to line breaks or other conditions as outlined in Stage 4. All reasonable attempts will be made to notify affected customers with the understanding that repair personnel will prioritize their time as follows:

1. Mitigating damage to the system by isolating the area affected.
2. Restoring service to undamaged areas by redirecting flows.
3. Notifying affected customers.
4. Repairing the system and fully restoring service to all customers.

VII. Enforcement and Variances

The System Manager shall hand deliver notices of violations to any customer that is consistently violating any provisions of Stages 1, 2, or 3 of paragraph VI - Customer Drought Response Stages. Per State law, no written notice is required to terminate service during emergency situations if deemed necessary to protect the integrity of the water supply system.

If the customer ignores written notices, the System Manager will ask for an emergency meeting of the Board of Directors so that the customer can appeal directly to the Board. Upon listening to the customer the Board will take a vote to either grant the customer a variance to the Stages then in effect, or, direct the System Manager to curtail service to the customer. No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance. Prior to any Board-sanctioned service curtailment, the System Manager will contact the regional office of the Texas Commission for Environmental Quality to ascertain the legality of such curtailment with respect to State laws covering operation of non-profit water supply corporations.

VIII. Severability

It is hereby declared to be the intention of the Board that the sections, paragraphs, sentences, clauses, and phrases of this Plan are severable and, if any phrase, clause, sentence, paragraph, or section of this Plan shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentence, paragraphs, and sections of this Plan, since the same would not have been enacted by the Board without the incorporation into this Plan of any such unconstitutional phrase, clause, sentence, paragraph, or section.

APPENDIX B - APPLICATION FOR SERVICE

High Gabriel WSC
P.O. Box 2799, Cedar Park, TX 78630
(512) 259-3888 – billing@texaswater.net

APPLICATION FOR RESIDENTIAL WATER SERVICE

Effective Date: _____ Application Date: _____ Account No: _____
Customer Name: _____
Service Address: _____
Billing Address: _____
City: _____ State: _____ Zip: _____
Email Address: _____
Phone Numbers: _____ (home) _____ (work) _____ (cell) _____
Number of Persons in Household: _____

I/We hereby make application for residential water service and agree to abide by the following rules and regulations of High Gabriel Water Supply Corporation, aka HGWSC and referred to as the "water supplier".

1. **WATER RATES AND CHARGES:** See attached rate schedule.
2. **SERVICE INQUIRIES:** Trouble calls, final cut-offs, and other service or billing problems can be directed to the system manager, High Gabriel Water Treatment, at (512) 259-3888, P.O. Box 2799, Cedar Park, TX 78630; or sent to: billing@texaswater.net
3. **FINAL CUT-OFFS:** The applicant shall notify the water supplier in writing that service is to be discontinued at their service address no less than ten (10) days in advance of the last day of service.
4. **METER ACCESS:** The customer shall allow authorized water supply personnel access to the water meter at all times without permit, and agrees not to interfere with authorized personnel in the discharge of their duties. The applicant also agrees to not instruct or allow anyone to use or tamper with any meter or valve considered to be the property of the water supplier located on the applicant's premises.
5. **PROPERTY ACCESS:** The customer shall allow authorized personnel of the water supplier access to the applicant's property at all reasonable times for the purpose of inspecting for unsafe or undesirable plumbing practices as required by State law.
6. **POINT OF SERVICE:** Applicant agrees to install and maintain an operable property owner's cut-off valve inside of the meter box on the customer's side of the meter. All water delivered at and past this point is the sole responsibility of the applicant.
7. **SERVICE INTERRUPTIONS & WATER RATIONING PLAN:** The applicant shall not hold the water supplier responsible for service interruptions caused either by conditions beyond the control of the water supplier or by conditions necessary to guarantee the sanitary integrity of the water supply system. Further, if conditions warrant, applicant agrees to all rules set forth in the Corporation's water rationing plan on file with the Texas Commission on Environmental Quality, and online at www.highgabrielwsc.com
8. **CREDIT REPORT:** Applicant agrees to allow water supplier to exchange information regarding applicant's payment history with other utility suppliers, and authorizes HGWSC or its authorized agent to request payment history from previous utility suppliers.
9. **CUSTOMER SERVICE INSPECTION CERTIFICATE:** Applicant must provide at applicant's expense a Service Inspection Certificate completed and signed by a state licensed inspector. This certificate must be provided to HGWSC along with original service application before any water is delivered to the applicant's property regardless of purpose or term. (applicable to new taps only)

The information contained above is accurate and true to the best of my knowledge.

_____ Initial to acknowledge receipt of Customer Service Inspection Form. (applicable to new taps only)

_____ Initial to acknowledge receipt of Water Rates and Charges.

Applicant's Signature: _____ Date: _____

Below for office use only

Meter Serial Number: _____ Reading: _____

Date Read/Installed: _____ By: _____

Notes: