TARIFF OF

MANVILLE WATER SUPPLY CORPORATION

The name and address of the utility is:	**MANVILLE WATER SUPPLY CORPORATION**
Its mailing address is:	**P. O. Box 248, Coupland, Texas 78615**
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Its telephone number is:	**(512) 856-2488 (telecopier (512) 856-2029)**
Its website is:	www.manvillewsc.org

This tariff is effective for operations under all Certificates of Convenience and Necessity issued to and held by Manville Water Supply Corporation, (hereinafter "Manville") as from time to time amended, under authority of the Texas Commission on Environmental Quality, its predecessors or successors, (hereinafter "TCEQ.")

This tariff is effective in all counties in which Manville conducts operations, in all cities and special districts in which Manville provides retail water service, and in all subdivisions and to all members to which Manville provides retail water service as identified on TCEQ service area maps.

This tariff is not applicable to wholesale contract customers of Manville, whose rights and obligations are defined and set out in individual contracts, except as herein specifically provided. When inconsistent, the individual contracts in writing shall prevail.

Manville will make reasonable provisions to supply adequate and continuous water service to all of its members and wholesale customers, but does not guarantee water service against fluctuations, pressure deficiencies, or interruptions. Manville will not be liable for any damages, whether direct or consequential, including, without limitation, loss of profits, loss of revenue, loss of production capacity, or personal injury, property damage or inconvenience, occasioned by pressure fluctuations or service interruptions unless it be shown that Manville had been grossly negligent in failing to supply adequate and continuous water service, consistent with the member or wholesale customer's class of service. In the event of a failure to make such reasonable provisions (whether as a result of gross negligence or otherwise), Manville's liability shall be limited to the cost of necessary repairs of physical damage proximately caused by the failure or interruption of service to those water facilities of the member or wholesale customer that were installed and maintained by Manville, or under the supervision and with the written approval of Manville.

TABLE OF CONTENTS

SECTION 1.0	**RATE SCHEDULE……**	**4**
Section 1.01	Definitions……	4
Section 1.02	Rates……	5
Section 1.03	Connection Fees……	8
Section 1.04	Miscellaneous Fees……	11
SECTION 2.0	**SERVICE AND RULES AND REGULATIONS ……**	**13**
Section 2.01	Application for Service ……	13
Section 2.02	Water Installation, Initiation of Service ……	14
Section 2.03	Refusal of Service ……	14
Section 2.04	Security Deposits, Bankruptcy ……	15
Section 2.05	Meter Requirements, Readings and Testing ……	15
Section 2.06	Billing ……	16
Section 2.07	Service Disconnection ……	17
Section 2.08	Customer Service Inspections ……	18
Section 2.09	Meter Relocation ……	19
Section 2.10 (a)	Large Volume Service - Single Owner ……	19
Section 2.10 (b)	Large Volume Service - Multiple Owner ……	20
Section 2.10 (c)	Large Volume Service - Conservation Districts ……	20
Section 2.11	Feasibility Study……	21
Section 2.12	Forfeiture of Membership……	22
Section 2.13	Service Outside Certificated Area……	22
Section 2.14	Service to Areas of Purchased Water Systems……	23
Section 2.15	Limitation of Liability……	23
Section 2.16	Transfer of Membership……	23
Section 2.17	Litigation……	23
Section 2.18	Limitation on Fire Protection……	23
Section 2.19	Unused Capital Recovery Fees……	24
Section 2.20	Easements……	24

TABLE OF CONTENTS

SECTION 3.0	**EXTENSION POLICY…….**	**24**
Section 3.01	Standard Extension Requirements……	24
SECTION 4.0	**WATER RATIONING PLAN……**	**24**
Section 4.01	General Provisions……	25
Section 4.02	Stages of Rationing……	26
Section 4.03	Emergency Livestock Water……	26
SECTION 5.0	**REQUESTS FOR PUBLIC INFORMATION**	**26**
Section 5.01	Procedures……	26
Section 5.02	Copy Schedule……	27
EXHIBIT A	**RETAIL RATES**	**28**
EXHIBIT B	**MISCELLANEOUS FEES**	**29**

SECTION 1.0 - RATE SCHEDULE

Section 1.01 - Definitions

In this tariff, the term “Dwelling” or “Dwelling Unit” means a home, house, mobile home, manufactured home, apartment unit or any unit in a multi-unit residential structure. A recreational vehicle that is not located in a recreational vehicle park shall be considered a dwelling under this tariff if it is connected to a Manville meter and is used for human habitation.

In this tariff, the term “Manufactured Housing” means a structure transportable in one or more sections which, in the traveling mode, is eight body feet or more in width or 40 body feet or more in length or, when erected on site, is 320 or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities. This term shall include any structure defined as a mobile home, HUD-code manufactured home, or manufactured home by Tex. Rev. Civ. Stat. Ann. Article 5221f, s3.

In this tariff, the term “manufactured housing park” means a single tract of land on which parking spaces for manufactured homes are rented to the general public primarily for non-transient use and for which rental is paid at intervals of one month or longer.

In this tariff, term “Recreational Vehicle” means a vehicle which is:

a. Built on a single chassis;

b. 400 square feet or less when measured at the largest horizontal projection;

c. 102 inches or less in width;

d. Self-propelled or permanently towable by a light duty truck; and

e. Designed primarily not for use as a permanent dwelling, but as temporary living quarters for recreational, camping, travel, or seasonal use.

In this tariff, the term “Recreational Vehicle Park” means a property on which parking spaces for recreational vehicles are rented to the general public primarily for transient use, or for which rent is calculated on a daily or weekly basis.

In this tariff, the term Living Unit Equivalent, (hereinafter "LUE") means a connection receiving service through a single 5/8"x 3/4" meter, or in the case of larger meters, 300 gallons of water usage per day.

In this tariff, the term “Standard Service” means service provided by means of a connection with a meter size one (1) inch or less.

In this tariff, the term “Large Volume Service” means service provided by means of a connection with a meter size larger than one (1) inch.

In this tariff, the term “Large Volume Service - Single Owner” means water service provided to a single tract of land owned by a single person, corporation, or other entity by means of a connection with a meter size larger than one (1) inch, and for commercial, industrial, agricultural, and similar nonresidential uses, and excludes apartment, condominium and townhome projects. Water provided under Large Volume Service - Single Owner shall not be submetered for resale, except in conformity and compliance with TCEQ submetering regulations.

In this tariff, the term “Large Volume Service - Multiple Owner” means water service provided to a multiple owner residential development, such as townhouses, condominiums, or cluster homes by means of a connection with a meter size larger than one (1) inch. Water provided under Large Volume Service - Multiple Owner shall not be submetered for resale, except in conformity and compliance with TCEQ submetering regulations.

In this tariff, the term “Large Volume Service - Conservation Districts” means water service provided to a conservation district created pursuant to Article XVI, Section 59, of the Texas Constitution, such as a municipal utility district or a water control and improvement district, or to a municipal corporation, by means of a connection with a meter size larger than one (1) inch. Water provided under Large Volume Service - Conservation Districts may be metered or submetered for resale by the district within the boundaries of the district or municipality, but no sales of water are permitted outside the geographic boundaries of the district or municipality.

Section 1.02 - Rates

Except as otherwise provided herein, the retail water rates of Manville are appended hereto in Exhibit A, incorporated herein for all purposes.

Rates and charges are subject to amendment from time to time by the Board of Directors of Manville.

Capital Recovery Fee

Except as otherwise provided in this tariff, an applicant for service shall pay a capital recovery fee as noted in Exhibit A per LUE of service, and shall when required by this tariff or by the engineer for Manville execute a written contract for the extension of service, covering offsite improvements mandated as a condition of service.

An applicant for subdivision service or service to a proposed development shall upon application pay a deposit as per Exhibit B per LUE of service requested, plus any other required fees. If the Board of Directors should determine that the requested service cannot be provided, said deposits shall be promptly refunded. Upon approval or conditional approval of the request for service, the balance of the capital recovery fees shall be due and payable within 180 days of the action of the Board of Directors. Failure to timely pay the balance due shall, without notice, result in the forfeiture of the deposit and the nullification of the approval or conditional approval of service. Future applications for service to the same property require a new application and new deposits, and review will be based on conditions then in effect.

On written request of an applicant for subdivision service, Manville may grant one (1) extension of the time for payment of the balance of the capital recovery fees under the following terms and conditions. A request for extension of time must be made prior to the expiration of the original 180 day payment period. Late requests cannot be considered, time being of the essence. Each request for extension must be accompanied by a fee per Exhibit B per LUE of service for which an extension of time for payment is requested. The extension fee per Exhibit B per LUE of service will NOT be credited to the balance owed for capital recovery fees. The extension of time for payment of the balance of capital recovery fees shall be for a period of 180 days from the expiration date of the original time for payment. No further extension of time is permitted. In the event capital recovery fees have been changed since the date of original Board approval or conditional approval, the balances due and payable shall be based on the new fees. The extension is available only to applicants for subdivision service.

Standard Service

The monthly service charges for the Standard Service shall include the sum of the monthly minimum charge plus the usage charge for gallonage above the minimum as shown in the tables attached as Exhibit A, and for all purposes incorporated herein.

Large Volume Service

The minimum monthly charge for Large Volume Service shall include the sum of the monthly minimum charge plus the usage charge as shown in tables attached as Exhibit A. For Large Volume Service provided to a local, state, or federal governmental entity, the monthly charges will be set on a case by case basis, or by contract.

Multiple Connection Service - Transient Use Facilities

A business such as a recreational vehicle park or motel/hotel that serves transient customers shall be required to pay only one monthly minimum charge for water service to customers of the business. A recreational vehicle park shall pay only one monthly minimum charge for water service provided to recreational vehicles regardless of the number of such vehicles served by the meter. Similarly, a motel/hotel shall pay only one monthly minimum charge for water service provided to motel/hotel rooms regardless of the number of rooms served by the meter. In each case, usage charges in excess of the monthly minimum charge shall apply.

Multiple Connection Service - Master Metered Non-transient Use

The monthly minimum charge for residential master meter service using meters of one (1) inch or less for duplexes, apartments, multiunit residential structures, condominiums, townhomes, or manufactured housing parks shall be equal to the monthly minimum charge for 5/8" x 3/4" meter times the number of dwelling units connected to the master meter on the date of meter reading each month. Where a master meter larger than one (1) inch is installed as a Large Volume Service pursuant to a feasibility study performed by Manville's engineer, the monthly charge for the master meter shall be equal to the monthly minimum charge for a 5/8" x 3/4" meter times the LUE capacity of the meter as determined and calculated by Manville's engineer, whose determination shall be final. Usage charges in excess of the monthly minimum charge as calculated shall apply.

Multiple Connection Service - General Provisions Applicable to 5/8" x 3/4" Meters

If allowed under this tariff as an exception to Manville's "one dwelling per meter" policy stated in Section 2.05, when more than one dwelling is connected to a single meter, the member shall pay a multiple of the monthly minimum charge, corresponding to the number of dwellings connected to the single meter, plus usage charges. Member must be in compliance with the TCEQ "one dwelling per meter regulation", as a condition of service or of continued service.

Recreational Vehicle and Manufactured Homes - General Provisions

When any recreational vehicle used for human habitation is parked in a location other than a recreational vehicle park and is connected to a meter, a monthly minimum charge must be paid for that vehicle. Also, a monthly minimum charge must be paid for each and every manufactured home connected to a meter, unless the manufactured home is located in a manufactured housing park where a master meter larger than one (1) inch has been installed as a Large Volume Service pursuant to a feasibility study performed by Manville's engineer, in which case the monthly charges for the master meter shall be equal to the monthly minimum charge for the 5/8" x 3/4" meter times the LUE capacity of the meter as determined by Manville's engineer, whose determination shall be final. In each case, usage charges in excess of the monthly minimum shall apply.

Regulatory Assessment

A Regulatory Assessment equal to 0.5% of the monthly charge for retail water service shall be collected from each member.

Section 1.03 - Connection Fees

Fees for new connections shall be assessed and collected as follows:

a. Single Dwelling or Single Non-Residential Business Connection

Meter Installation- Straight Set
(No line extension, no road crossing)

For single dwelling or single non-residential business connections, the connection fee and other charges shall be those set out in Exhibit A, attached hereto and incorporated herein.

b. Multiple Connection Service, Up to 1" Master Meter

Meter Installation- Straight Set
(No line extension, no road crossing)

For meter sizes 1" and smaller, the connection fee for a multiple dwelling connection such as an apartment larger than a four-plex, or other multiunit residential structure or project larger than a four-plex, shall include the meter setting fee for the meter specified by Manville's engineer, whose determination shall be final, plus a capital recovery fee equal to 75% of the capital recovery fee for a 5/8" x 3/4" meter times the number of dwelling units to be connected to the meter.

Master meter service is available only for apartments, multiunit residential structures larger than a four-plex and manufactured housing parks. All other residential service must comply with the one dwelling per meter policy stated in Section 2.05 of this tariff.

Whenever an increase is proposed in the number of dwelling units, the member shall pay to Manville the appropriate capital recovery fee before making such expansion. Whenever Manville determines that the number of dwelling units connected to the master meter exceeds the number of units that have been paid for by the member, the member shall pay a capital recovery fee equal 75% of the capital recovery fee for a 5/8" x 3/4" meter times the number of additional dwelling units that are connected to the meter. The capital recovery fee for the additional dwelling units shall be paid within 30 days of the date that Manville provides notice to the member. Failure to make timely payment shall result in termination of all water service to the member at the subject address.

Manufactured housing parks shall not be eligible for the 75% capital recovery fee calculation, but shall pay one capital recovery fee per space.

c. Large Volume Service - Single Owner

In order to obtain Large Volume Service - Single Owner, an applicant must obtain a feasibility study and must pay the meter setting fee, capital recovery fees, and membership fee as set forth in Exhibit A. Large Volume Service is only available with meter sizes larger than a 5/8" x 3/4" meter size.

The connection fee for Large Volume Service - Single Owner shall be as shown in Exhibit A. For meters larger than 1", the connection fee shall be the actual cost for purchasing and installing the meter and any flow restriction and backflow prevention devices specified by Manville's engineer, plus the capital recovery fee for a 5/8" x 3/4" meter times the equivalent LUE capacity of the meter, with allowances made for any flow restriction devices installed at member's expense.

The membership fee for Large Volume Service - Single Owner shall be as noted in Exhibit A.

Size and adequacy of the proposed meter shall be determined by the Manville engineer as part of the feasibility study, and the determination of the Manville engineer shall be final. Large Volume Service - Single Owner is available only for commercial, industrial, agricultural and similar non-residential uses, and is not available for residential structures or projects. It is not available for manufactured housing parks.

d. Large Volume Service - Multiple Owner

The connection fee for Large Volume Service - Multiple Owner shall include the meter setting fee for the meter size specified by Manville's engineer plus a capital recovery fee equal to 75% of the capital recovery fee for a 5/8" x 3/4" meter times the number of residential dwelling units to be connected to the meter. The membership fee for Large Volume Service - Multiple Owner shall be as noted in Exhibit A for each owner. The monthly charge for Large Volume Service - Multiple Owner shall be determined according to the rates for Large Volume Service, supra. Large Volume Service - Multiple Owner shall be subject to the limitations and terms set forth in Section 2.10(b) and the requirements of any rules and regulations concerning Manville's service to subdivisions. Large Volume Service - Multiple Owners is available only to multiple owner residential developments, such as townhouses, condominiums, or cluster homes, larger than a four-plex. It is not available for manufactured housing parks.

e. Large Volume Service - Conservation Districts

Unless otherwise provided by contract, the membership fee for Large Volume Service - Conservation Districts shall be as noted in Exhibit A, and the monthly charge for Large Volume Service - Conservation Districts shall be determined according to the rates for Large Volume Service, or by contract. Large Volume Service - Conservation Districts shall be subject to the limitations and terms set forth in Section 2.10(c), and such other limitations as may be imposed by contract.

(i) Water Storage and Pressurization provided by the Conservation District Customer

Unless modified by contract, the connection fee for Large Volume Service - Conservation Districts, where the customer provides all water storage and pressurization necessary to provide water service within the boundaries of the customer, shall be determined according to the provisions for Large Volume Service - Single Owner set forth in Section 1.03(c) of this Tariff.

(ii) Water Storage and Pressurization provided by Manville

Unless modified by contract, the connection fee for Large Volume Service - Conservation Districts, where Manville provides the water storage and pressurization necessary to provide water service within the boundaries of the customer, shall include the meter setting fee for the meter size specified by Manville's engineer plus a capital recovery fee equal to the capital recovery fee for a 5/8" x 3/4" meter times the number of LUEs to be connected to the meter. Additionally, the customer must pay a capacity reservation fee of $600.00 times the number of dwelling units to be connected to the meter.

Manville's Board of Directors may by contract modify the above connection fees and conditions of service in specific cases for the purpose of encouraging development, or for the benefit of the Manville ratepayers. The General Manager shall make an assessment of the facts and circumstances of appropriate cases and make a recommendation to the Board of Directors. In all cases, the terms of a contract shall prevail over this tariff.

CHARGE FOR LINE EXTENSIONS AND ROAD CROSSINGS

Line extensions and road crossings are at the sole expense of the customer. These costs are subject to change and to prevailing contractor prices. Manville will select the contractor who, in the opinion of Manville's Board of Directors, provides the lowest and best bid. Manville's selection of a contractor shall be final and binding on the customer. All lines and other infrastructure shall become the property of Manville.

ADDITIONAL CHARGES AND REGULATIONS:

Requests for service or supplemental service other than that set out in the Exhibit A or B or Membership and Connection Fee provisions shall be considered additional charges and shall be determined on a case by case basis by Manville's engineer, unless otherwise addressed in this tariff.

When Manville determines that private right-of-way easements are necessary to provide service to an applicant, the applicant shall be required to provide such easements, and to pay all costs incurred by Manville in the obtaining of such easements.

When backflow prevention is required in connection with a meter, the applicant shall be required to pay all costs for materials and installation of any backflow prevention device.

In the situation where there will be a significant drop in pressure between the meter and the structure where service is to be provided, a condition which is typically caused by a significant difference between the elevation of the meter and the elevation of the structure, an applicant requesting service may seek from Manville's engineer a determination of the feasibility of the use of a pressure booster unit to serve the structure. If determined to be feasible, subject to the applicant paying all costs for materials and labor associated with the installation of the pressure booster unit, the applicant for service may elect to have Manville or a contractor of his or her choice install the unit. The applicant shall also be required to pay all costs for materials and installation of a backflow prevention device, including Manville's engineering fees, when backflow prevention is required at a location where a pressure booster unit is used, or at a location that serves more than one member, or is remote from Manville's pumping and storage facilities and where no improvements to Manville's system are planned.

When possible, meters should not be placed in locations where they may be subjected to vehicular traffic, such as a meter placed under a driveway providing access to a dwelling. If an applicant desires that one or more meters be placed in a location where, in the opinion of the General Manager, the meter(s) may reasonably be subjected to vehicular traffic of any sort, then at the sole expense of applicant: (1) the meter box(es) installed shall be designed and constructed to minimize the likelihood of damage to the meter(s) resulting from said vehicular traffic; and (2) prior to installation of the meter(s), the meter box(es) proposed for use shall first be submitted to Manville's engineer for approval. In cases of dispute, the determination of the General Manager as to meter location, boxes, and similar conditions shall be final.

Section 1.04 - Miscellaneous Fees

MEMBERSHIP FEE **See Exhibit A Rate Schedule**

All persons or entities seeking retail water service from Manville must become members of the corporation. The membership fee is refundable upon sale of property less any outstanding balance. The membership fee is not transferable except in cases of inheritance or division by divorce.

CUSTOMER SERVICE INSPECTION FEE **See Exhibit B Rate Schedule**

The customer service inspection fee is payable whenever a customer service inspection is required by Section 2.08.

RECONNECT FEE **See Exhibit B Rate Schedule**

When there has been no change in ownership or right of possession, a reconnection fee must be paid before service can be restored to a member whose service has been disconnected. The reconnect fee must be paid in the form of cash, money order, cashier's check or credit card if the service was disconnected for non-payment. At service locations where equipment tampering or an unauthorized connection has resulted in forfeiture of membership and connection rights, the former member shall be required to make full payment of the membership fee and the connection fee in effect at the time service is requested. Additionally, the former member shall be required to make full payment of applicable equipment damage fees. When the meter has been out of service for four years or more, the owner shall pay for a new meter, inspection fee and installation as per Exhibit A.

Water connections are not transferable to other service locations within the system, but shall attach to the land to which they were originally allocated, and convey with the land.

When there has been a change in ownership or right to possession, the reconnect fee must be paid before service can be restored for the new owner or occupant. Additionally, a membership fee must be paid. Payment of a membership fee will be required in all cases where the previous membership was forfeited or otherwise terminated. At service locations where equipment tampering or an unauthorized connection has resulted in forfeiture of membership fee and the connection fee, the fees in effect at the time reconnection of service is requested shall apply.

TEMPORARY RECONNECTION FEE **See Exhibit B Rate Schedule**

To temporarily reconnect a service for renovation, inspection, or construction, the service shall not be reconnected for longer than 3 days. The fee for temporary reconnection is the temporary reconnection fee plus a consumption fee as noted in Exhibit B per 1,000 gallons.

RETURNED CHECK CHARGE **See Exhibit B Rate Schedule**

Returned checks must be redeemed in the form of cash, money order, cashier's check or credit card.

EQUIPMENT DAMAGE FEES **See Exhibit B Rate Schedule**

For residential connections with a meter of 1" or less, the following equipment damage fees will be charged to compensate Manville for repairs due to damage to Manville's water distribution system which is caused by an unauthorized connection or reconnection of water service where such service has been discontinued.

a. Replace damaged, removed or destroyed locks **See Exhibit B Rate Schedule**

b. Replace damaged or destroyed water meters **See Exhibit B Rate Schedule**

c. Replace damaged or destroyed angle stops **See Exhibit B Rate Schedule**

In all cases where the actual cost to Manville of equipment damage exceeds the foregoing charges, the actual cost shall be levied.

Equipment damage fees for connections with meters larger than 1" will be determined on a case by case basis according to the actual costs incurred by Manville because of such damage.

FEASIBILITY STUDY FEE **See Exhibit B Rate Schedule**

When required by this tariff, all requests for a feasibility study shall be accompanied by a non-refundable study fee.

SECTION 2.0 - SERVICE AND RULES AND REGULATIONS

Section 2.01 - Application for Service

An owner of title to real property or a purchaser under an executory contract for conveyance of real property ("contract for deed") may file an application for service and seek to become a member of Manville. All applications for service will be made on Manville's standard service application and service agreement forms and must be signed by the applicant before water service will be provided by Manville.

A separate application or contract will be made for each service at each separate location. All applications for service must submit a legal description of the property to be served which shall consist of the lot, block, and section number for land in a platted subdivision, or shall consist of a metes and bounds description for tracts of land that are not platted, together with a legible highway map depicting the proposed location of the point of service.

No application for service within a subdivision shall be approved unless the developer has fully complied with all the requirements for service to subdivisions, including, without limitation, full payments of all capital recovery fees, and full payment of all sums of money owed to Manville for any purpose, and full compliance with all conditions for service imposed by Manville. No retail service may be initiated to any tract if the developer has delinquent outstanding indebtedness to Manville.

If two or more meters are used to provide water service to a single contiguous tract of land, Manville shall not transfer one or more of the associated memberships if such transfer will result in service to a subdivided tract of land where all the requirements for service to subdivisions have not been satisfied.

An applicant seeking service for a tract of land located in a subdivision must provide information showing compliance with all applicable city and county subdivision ordinances. This information shall include a copy of the recorded deed conveying the property to the applicant and a copy of the recorded plat depicting the property. Pursuant to Section 13.2501 of the Texas Water Code, Manville will refuse to serve an applicant if the requested service is prohibited under Section 212.012 or 232.0047 of the Texas Local Government Code, which require certification of compliance with plat requirements prior to connection of water, sewer, electricity, gas, or other utility service.

Upon sale of title to property, the new owner(s) must comply with the "one dwelling per meter" policy contained in Section 2.05 of this tariff. If additional meters are required, the new owner must pay the corresponding number of connection fees and membership fees.

Section 2.02 - Water Installation, Initiation of Service

After the applicant has met all requirements, conditions, and regulations herein set forth, and paid all fees applicable thereto, Manville will then install a connection, meter, and cut-off valves and take all necessary administrative actions to initiate service.

Section 2.03 - Refusal of Service

Manville shall decline to serve an applicant, and shall decline to provide service within an applicant's project or development, and shall discontinue existing service, until such applicant has complied with all Federal, State and Municipal regulations applicable to the property, all fiscal requirements of Manville, and for the following reasons:

1. The applicant's installation or equipment internal to the project is deemed by Manville's engineer to be inadequate, unsafe, or of such character that satisfactory service cannot be given;

2. The applicant is indebted to Manville or any utility for the same kind of service as that being applied for;

3. The applicant is indebted to Manville in any capacity or has failed to comply with conditions for service imposed by Manville;

4. The applicant refuses to pay a membership fee or refuses to make a deposit, if applicant is required to make a deposit to Manville;

5. Serving the property is prohibited by Section 212.012 or 232.0047 of the Texas Local Government Code, which require certification of compliance with plat requirements prior to connection of water, sewer, electricity, gas, or other utility service;

6. More than one dwelling will be connected to a single meter on the property, unless the service location qualifies for master meter service under this tariff;

7. The meter to be set would be located within a 100 Year Flood Plain as established by the Federal Emergency Management Agency; or another unit or subdivision of government;

8. The applicant fails or refuses to have a customer service inspection performed or fails or refuses to submit a properly completed customer service inspection certification form as required by Manville or TCEQ regulations;

9. The applicant refuses to provide to Manville such easements and rights of access deemed necessary or appropriate by Manville's engineer; or

10. The applicant makes any material misrepresentation of fact to Manville in his application or during the course of the application process.

Section 2.04 - Security Deposits, Bankruptcy

If a member or applicant has filed a petition for relief in U.S. Bankruptcy Court, Manville may require a security deposit to assure payments for service in accordance with 11 U.S.C. 366. Unless otherwise ordered by the Court, the required security deposit shall be as noted in Exhibit B.

Section 2.05 - Meter Requirements, Readings and Testing

All water sold by Manville shall be billed based on meter measurements. Manville shall provide, install, own and maintain meters to measure amounts of water consumed by its members.

One meter is required for each residential, commercial or industrial facility.

Manufactured housing parks will be allowed to serve more that one manufactured home through a master meter, provided that all minimum monthly charges and usage charges are paid in accordance with Section 1.02 of this tariff. Apartment buildings, duplexes or other multi-unit residential structures may be served by a single master meter for each structure, provided that all minimum monthly charges and usage charges are paid in accordance to Section 1.02 of this tariff.

Upon request by a customer, Manville will have a meter professionally tested for accuracy. If the meter is found to be within the accuracy standards established by the American Water Works Association, the customer shall be charged as noted in Exhibit B and shall pay the cost of the test. If the meter is found to be outside the accuracy standards established by the American Water Works Association, Manville will pay the cost of the test, and Manville will take whatever steps are necessary to provide an accurate meter.

ONE DWELLING PER METER POLICY

In keeping with TCEQ regulations, it shall be Manville's policy to require one paid meter and connection for each residence and dwelling for human habitation.

If the General Manager detects possible multiple dwellings on one meter, the General Manager shall communicate verbally and in writing to the suspected party and/or parties violating this policy, and require pre-payment for the setting of additional water meters for the dwellings requiring same.

Non-compliance shall constitute basis for a disconnection from Manville, with reconnection fee to be borne by the member, upon full compliance.

The General Manager shall also enforce any corporation rules, regulations and bylaws in the event of non-payment of any other water charges or other indebtedness.

In the event that more than one monthly minimum charge is currently being paid by a member and is currently being accepted by Manville for service to more than one dwelling connected to a single meter, service will be continued, accepting two or more minimum payments (plus applicable usage charges) each month until such time as the property is sold in whole or part. The new owner(s) must then comply fully with this one meter per dwelling policy.

When property having more than one dwelling connected to a single meter is subdivided, an owner of the subdivided portion of the property who wishes to continue water service must become a member of Manville and obtain a meter dedicated to providing water service to the individual portion of the property.

Each owner of a portion of the property shall be required to convey to Manville any easements that are necessary or appropriate to provide water service to other portions of the property. The new service connection shall be subject to all of the requirements of Manville's tariff and the rules and regulations contained herein, including, without limitation, full payment of connection fees and membership fees. Failure to have meters installed to serve each tract may result in disconnection of service to any or all subdivided portions of the property.

Section 2.06 - Billing

Water bills shall be rendered monthly unless service is terminated before the end of a billing cycle. Service initiated less than one week before the next billing cycle may be billed with the following month's bill.

Payment is considered late if not received at Manville's office or postal address, or at an authorized and designated remote payment facility, by the 10th of the month following the month the bill is mailed. Service can be disconnected for non-payment of a bill after five (5) days written notice. Notice shall be deemed given on the date notice is mailed.

The member will in all cases be responsible for the bill. Manville will not bill occupants who are not members of the corporation separately, unless the member agrees to be responsible for any unpaid bills.

Section 2.07 - Service Disconnection

A member's utility service may be disconnected if a bill has not been timely paid and proper notice has been given.

Proper notice shall consist of a separate mailing or hand delivery at least five (5) days prior to stated date of disconnection, with the words "termination notice" or similar language prominently displayed within the notice. The notice must also list the past due balance and is deemed given on the date notice is mailed.

Service may be disconnected after proper notice for any of the following reasons:

1. *Failure to pay a delinquent account or to comply with a deferred payment agreement, or non-payment of or delinquency in payment of any amounts due to Manville for any purpose;*

2. *Willful violation of usage rule when that violation interferes with another member's service;*

3. *Failure to comply with valid deposit or guarantee arrangements;*

4. *Upon discovery by Manville that the property had been subdivided in violation of applicable subdivision ordinances;*

5. *Upon discovery by Manville that more than one dwelling is connected to a single meter on the property, unless the present members pay each month and Manville has accepted the appropriate multiple of the monthly minimum charge; or*

6. *Upon discovery by Manville that one meter is serving more than one dwelling and the dwellings are located on separate parcels of land;*

7. *A member has failed to have a customer service inspection performed or has failed to provide access to the service location for the purpose of performing a customer service inspection; or*

8. *Non-payment of charges for sewer service that are collected by Manville under an agreement between Manville and the provider of the sewer service.*

Service may only be disconnected without notice:

1. *When a known dangerous condition exists, for as long as the condition exists;*

2. *When service is established through meter bypassing, an unauthorized connection or unauthorized reconnection; or when the General Manager detects evidence of water theft; or*

3. *In instances of tampering with Manville's meter or equipment.*

A residential member may request a delay of disconnection of service upon establishing that disconnection of service will result in some person residing at that residence becoming seriously ill or more seriously ill if service is disconnected. Each time a member seeks to avoid termination of service under this provision, the member must have the attending medical doctor call or contact Manville prior to the disconnection date. Upon receipt of the doctor's statement, Manville may, at the discretion of the Manager, delay disconnection of service for a period not exceeding 30 days from the issuance of the bill. At the discretion of the Manager, Manville may allow the member to enter into a deferred payment plan.

Section 2.08 - Customer Service Inspections

A customer service inspection certification conforming to TCEQ Regulation 30 TAC 290.46(j) must be completed for all new connections and for existing service locations where Manville has reason to believe that cross-connections or other unacceptable plumbing practices exist, or after any material improvement, correction, or addition to the private plumbing facilities. A customer service inspection fee will be collected at the time an application for service is made. For existing service locations where a customer service inspection is required by Manville, a customer service inspection fee will be added to the member's monthly bill. The inspection must be conducted and the certification completed by a qualified person who has entered a contract with Manville. A customer service inspection certification form, must be completed, signed by the person performing the inspection, and filed with Manville before water service will be provided or continued.

The inspection will be based on the conditions existing at the service location at the time the meter is set. If any material improvement, correction, or addition to the private plumbing facilities occurs, the member shall have an additional customer service inspection performed for the service location. For example, in cases where water service is provided to facilitate construction of a new structure, a properly completed customer service inspection certification form must be filed with Manville before occupancy of the structure occurs. Upon Manville's discovery that there has been a change in service conditions and an appropriate inspection certification form has not been filed, service to the location will be disconnected, unless a properly completed certification form is filed at Manville's office within 30 days after the date that Manville provides notice pursuant to Section 2.07 of this tariff. Service will not be restored until after the customer service inspection is performed.

Section 2.09 - Meter Relocation

Manville will not move existing meters except as allowed in this section. Manville will move a meter to a new location within the boundaries of a single parcel of land or lot so long as the meter continues to serve the structure or facility to which it was allocated, and the new location is feasible. In the case where a structure or facility is located on the boundary between two parcels or lots, Manville will relocate the meter to either of the parcels or lots. Manville will determine, on a case by case basis, whether moving the location of the meter is feasible. The fee for moving a meter shall include the following:

a. *The meter setting fee for the size of meter requested at the new location;*

b. *A fee equal to Manville's cost of disconnecting and resetting the meter; and*

c. *The cost of any line extension or other equipment necessary to deliver water to the new location.*

If the meter to be installed at the new location is larger in size than the existing meter, the member shall also pay the difference between the capital recovery fees for the larger meter size and the smaller meter size that are in effect at the time the relocation is requested. A customer inspection fee shall also be applicable to the new meter connection.

Section 2.10(a) - Large Volume Service - Single Owner

(Meters Larger Than 1")

Large Volume Service - Single Owner may only be used to serve a facility located within a single tract of land that is owned by a single person, corporation, or other entity. Large Volume Service - Single Owner is not available for service to land that is intended to be subdivided; provided however, the capacity purchased for a Large Volume Service - Single Owner location may be converted to serve a subdivision that is created on the same land within 10 years of the date of connection of the Large Volume Service - Single Owner. This right of conversion of capacity shall not be severable, but shall be assignable with the land as long as the land stays in a single tract, with a single owner. Large Volume Service - Single Owner is not applicable to water purchased for resale or water sold to wholesale customers, and is applicable only to commercial, industrial, agricultural, and similar non-residential uses.

Section 2.10(b) - Large Volume Service - Multiple Owner

(Meter Larger Than 1")

Large Volume Service - Multiple Owner may be obtained by a management company, homeowners association, or other similar entity for water service to a multiple owner residential development such as townhouses, condominiums, or cluster homes by means of a master meter connection. Water provided under Large Volume Service - Multiple Owner shall not be sub metered for resale, except in conformity with the TCEQ sub metering regulations. In order to obtain Large Volume Service - Multiple Owner, an applicant must obtain a feasibility study and enter into an appropriate contract with Manville. Large Volume Service - Multiple Owner shall be subject to the requirements of this tariff and the rules and regulations for subdivision service contained herein, including the requirement for payment of capital recovery fees.

Section 2.10(c) - Large Volume Service - Conservation Districts

(Meter Larger Than 1")

Large Volume Service - Conservation Districts may be obtained by conservation districts that are created pursuant to Article XVI, Section 59, of the Texas Constitution, such as municipal utility districts or water control and improvement districts, or municipal corporations, to supply water to land within the boundaries of the district or municipality. Water provided under Large Volume Service - Conservation Districts may be sub metered for resale by the district or municipality but only within the boundaries of the district or municipality. Except in exceptional circumstances, the area within the boundaries of the district or municipality will be removed from the authorized service area under Manville's Certificate of Convenience and Necessity issued by the TCEQ. In order to obtain Large Volume Service - Conservation districts, the district or municipality must enter a contract with Manville providing that Manville shall be a provider of water supply for the district or municipality. The district or municipality has the obligation to provide all water storage and pressurization necessary to provide continuous and adequate water service within the boundaries of the district or municipality and must maintain water storage facilities of a capacity approved by Manville's engineer. The district or municipality shall not make any direct pressure connections to water supply lines between Manville's meter and the point where purchased water discharges into the customer's water storage facilities. The terms of any wholesale water supply contract between Manville and the district or city shall prevail over this section.

Section 2.11-Feasibility Study

Any person seeking Large Volume Service and /or multiple connection service, such as apartments, manufactured housing parks or multi-unit residential structures such as duplexes, or as otherwise required by this tariff, shall submit a written request that Manville perform a feasibility study to determine if there exists sufficient capacity in Manville's system to serve the demand proposed on the tract of land, or if a need exists for an expansion to the capacity of the production and storage or general purpose transmission facilities, or a combination of both, to serve the proposed connection. Each request for a feasibility study shall include the following:

a. *A map or plat showing the property, its proximity to Manville's existing general purpose transmission facilities, and those improvements necessary to connect such facilities. The map or plat must be signed and sealed by a licensed surveyor or registered professional engineer.*

b. *The intended land use of the property.*

c. *The proposed number of dwelling units. The projected water demand of the connection, including average and peak demands in gallons per minute (GPM), and a projected growth schedule tied to the demand for water. For meters larger than 2", the number of LUE shall be determined according to the terms of this tariff, and in cases of dispute, the opinion of the Manville engineer shall be final and conclusive.*

d. *A proposed calendar of events, including design, construction phasing and initial occupancy, and the approximate date upon which service from Manville will first be needed.*

e. *Information concerning on-site storage and pressurization facilities to reduce peak demand.*

f. *Such other and further information as the General Manager or the Engineer might request.*

Because of factors such as unique topographic features, after initial review of the request, Manville's engineer may determine that additional information will facilitate evaluating the proposed project. The developer shall submit such additional information as specified by Manville's engineer on a case by case basis.

Manville will not reserve or otherwise hold back capacity prior to payment of all capital recovery fees and other fees imposed by this tariff and compliance with all conditions of service by the applicant.

Section 2.12 - Forfeiture of Membership

a. If a service has been disconnected for non-payment for more than 30 days, the member shall forfeit all rights and privileges of membership and become a non-member. All application and fee requirements of Section 1.03 and 2.01 of this tariff, including payment of all past-due amounts, must be satisfied prior to reconnection of service at the property.

b. If a member is found to have tampered with Manville's equipment, or to have taken water by means of an unauthorized connection, the member shall forfeit all rights and privileges of membership, and shall forfeit all rights of connection. The member's meter shall be removed and the line connection shall be sealed.

Any future service at the location of an unauthorized connection, water theft, or other tampering with Manville's equipment will at the discretion of the Board of Directors, and shall be subject to all application and fee requirements of Section 1.03 and 2.01 of this tariff. In addition to payment of a membership fee, full payment must be made of the connection fee in effect at the time service is requested, including the meter setting fee and any capital recovery fee not previously paid for the location.

Section 2.13 - Service Outside Certificated Area

Manville may, where permitted by law and authorized by the Board of Directors, provide water outside the area of its Certificate of Convenience and Necessity on a contractual basis. Each case will be considered separately. Water will be sold on a term basis only. Manville assumes no obligation to provide service outside its certificated area.

Section 2.14 - Service to Areas of Purchased Water Systems

Whenever Manville purchases a certificated water system and the TCEQ has approved the transfer of the Certificate of Convenience and Necessity, service to the customers of the purchased water system will be conducted under this tariff and all rules and regulations of Manville. Upon transfer of the certificate, all existing customers of the purchased water system automatically become members of Manville. As members of Manville, the terms and conditions of this tariff will be binding on the customers of the purchased water system as a condition of service, regardless of whether the transferred customer has executed a service agreement with Manville. Except as provided in Section 2.16, no membership will be transferred to a subsequent customer. Prior to the effective date of Manville's purchase of a certified water system, the seller of the water system shall notify every customer of the applicability of any rules, regulations, and policies of Manville, including the terms and conditions of Manville service agreement.

Section 2.15 - Limitation of Liability

As a condition of membership and of service from Manville, Manville shall not be liable for any damages, including without limitation, direct damages, special damages, incidental damages, consequential damages, or loss of profit or revenue, resulting from failures or interruptions of water supply occurring because of maintenance of Manville's water distribution system or that are occasioned by causes beyond the control of Manville. Manville shall not be liable in any event for consequential damages. Unless otherwise provided by contract, Manville does not undertake to provide fire protection in its service area, and assumes no liability or risk of loss resulting from fire.

Section 2.16 - Transfer of Membership

Manville does not transfer memberships, except in cases of inheritances or division by divorce. A purchaser or new owner of property within the Manville service area will apply for membership as a condition of service.

Section 2.17 - Litigation

This tariff shall be construed under and in accordance with laws of the State of Texas. All obligations of the parties created under this tariff shall be performable in Travis County, Texas. All payments required to be made to Manville under this tariff shall be payable at Manville's offices in Coupland, Texas, and Travis County, Texas shall be the exclusive place of venue for any disputes arising under this agreement. In the event Manville is required to retain an attorney to enforce this tariff or collect amounts owed under this tariff, the member shall be responsible for all costs incurred by Manville, including reasonable attorney's fees.

Section 2.18 - Limitation on Fire Protection

The Manville distribution system does not uniformly provide fire protection. Manville does not provide nor imply that water for fire protection is available throughout Manville's distribution system. Hydrants or flush valves in rural water systems are installed only to facilitate operation and maintenance of the water distribution system and may only be used for refilling purposes by authorized fire departments. The presence of a hydrant or flush valve in the distribution system does not represent or suggest adequacy of the system for fire protection. Manville's hydrants may be color-coded to indicate authorized levels of use by fire departments. Manville reserves the right to remove any hydrant or flush valve, due to improper use or detriment to the system as determined by Manville, at any time without notice, refund, or compensation to the contributors.

Section 2.19 - Unused Capital Recovery Fees

Capital recovery fees attach to the land for which they are allocated, and convey with the land. Capital recovery fees are not subject to refund or transfer to other properties.

Section 2.20 - Easements

As a condition of membership and of service, each retail customer must dedicate to Manville such easements, as in the judgment of Manville's engineer, are necessary or appropriate to providing continuous and adequate service. All easements shall be located on private property.

SECTION 3.0 - EXTENSION POLICY

Section 3.01 - Standard Extension Requirements

Extension to Subdivisions

Subject to water availability and system capacity, Manville will extend water service to subdivisions within its certificated area at the applicant's expense.

Extension to Others

Manville will make extensions from existing lines to locations within its certificated area, at the member's expense. This includes all necessary costs, including the cost for any road cut or road bore. Extensions will only be made from existing lines with sufficient capacity. All infrastructure shall become the property of Manville.

SECTION 4.0 - WATER RATIONING PLAN

Section 4.01 - General Provisions

1. Declaration of Necessity for Rationing: When system demand threatens to exceed production or storage capability, or refilling the storage facilities is rendered impossible, Manville, acting through its General Manager, may declare that a necessity for rationing exists, and thereafter ration water in the manner herein set out. The purpose of the water rationing plan, as mandated by the TCEQ, is to limit the total amount of water demand imposed upon the Manville system until such time as supply is restored to normal levels.

2. Notice Requirements: Reasonable notice, including, by way of example and without limitation, notice published in a local newspaper, radio and television announcement, billing inserts or similar correspondence, or by posting notice in public buildings, of proposed rationing shall be provided 24 hours before Manville actually starts the program. Published notice may be followed by mailed notice included in the next regular bill. Any notice shall contain the following information.

    a. the date rationing shall begin,

    b. the date rationing shall end, if known,

    c. the stage (level) and explanation of rationing to be employed, and

    d. a brief explanation of penalties for violations.

3. Violation of Rationing Rules:

    a. First violation - Manville may terminate service, or may install a flow restrictor in the line to limit the amount of water which will pass through the meter in a 24-hour period. The cost to be charged to the member's account shall be the actual installed cost to Manville, or the costs set out in this tariff, whichever is greater.

    b. Subsequent violations - Manville may terminate service at the meter for a period of seven (7) days, or until the end of the calendar month, whichever is less. The reconnect fee of Manville shall apply for restoration of service.

4. Exemption or Variances From Rationing Rules: Manville's General Manager may grant any member an exemption or variance from the uniform rationing program, for good cause. Manville shall treat all members equally concerning exemptions and variances, and shall not employ discrimination in such grants.

5. Rates: All existing rate schedules, including conservation rates, shall remain in effect during the rationing period, and no charges may be levied against a member which is not contained in the approved tariff of Manville as filed with the TCEQ.

6. All wholesale, district and municipal customers on Manville's water system, as a condition of service, will comply with and enforce Manville's water rationing plan.

Section 4.02 - Stages of Rationing

The Water Conservation Plan adopted by Manville, and as from time to time amended, is incorporated herein for all purposes by reference, as fully as if set out verbatim.

The plan contemplates stages of rationing as therein provided.

Section 4.03 - Emergency Livestock Water

During periods of rationing or drought or similar livestock emergencies, the General Manager may authorize a temporary connection to the system to provide emergency water for livestock. The applicant for emergency livestock water shall pay the cost of tapping into the nearest line, and the standard Manville meter cost, but shall be exempt from payment of any impact or capital recovery fees for the connection. The applicant shall pay for emergency livestock water at the same rate per thousand gallons as set out in the then current Uniform Wholesale (Bulk) Water Rate. When, in the judgment of the General Manager or the Board, the emergency necessitating emergency livestock water has passed, the temporary connection shall be terminated.

SECTION 5.0 - REQUESTS FOR PUBLIC INFORMATION

Section 5.01 - Procedures

The procedures for inspecting or obtaining copies of Manville's records that are subject to inspection under Chapter 552 of the Texas Government Code are as follows:

1. All requests for inspection and/or copies of public information must be made in writing to the General Manager.

2. The request must sufficiently identify the required information. If the request is vague or too broad, Manville may require that it is narrowed in writing.

3. The requestor must complete inspection of the public information not later than the 10th day after it is made available. Two additional ten-day periods, one at a time, may be granted if a written request for additional time is filed with Manville.

4. If the requested information is stored electronically, and requires programming or manipulation of data, Manville will provide a written statement in accordance with Section 552.231 of the Texas Government Code.

5. Whenever possible, Manville will estimate the time needed to fulfill the request, and provide an estimate of applicable charges.

6. Manville will require a cash deposit in the amount of the estimated cost of complying with the request before compiling the information. Any additional charges must be paid upon delivery of copies.

Section 5.02 - Copy Charge Schedule

The charges for obtaining copies of Manville records that are subject to inspection under Chapter 552 of the Texas Government Code are those charges approved by the Attorney General of Texas and set out in 70 Texas Administrative Code Sec. 70.3, as from time to time amended.

EXHIBIT A

Retail Rates In Effect As Of August 1, 2010

RESIDENTIAL RATES

Meter Size	Capital Recovery Fee	Membership Fee	Meter, Inspection and Installation	Total *	Residential Monthly Minimum
5/8" X 3/4"	2,800.00	100.00	710.00	$ 3,610.00	$ 20.12
1"	5,200.00	100.00	815.00	$ 6,115.00	$ 20.12
* Additional charges may apply.					

- The next 1 to 10,000 gallons - $2.69 per thousand gallons
- 10,001 to 20,000 gallons - $2.81 per thousand gallons
- 20,001 to 30,000 gallons - $2.99 per thousand gallons
- 30,001 to 50,000 gallons - $3.23 per thousand gallons
- 50,001 gallons and over - $3.59 per thousand gallons

COMMERCIAL RATES

Meter Size	Capital Recovery Fee	Membership Fee	Meter, Inspection and Installation	Total *	Commercial Monthly Minimum
5/8" X 3/4"	2,800.00	100.00	710.00	$ 3,610.00	$ 20.12
1"	5,200.00	100.00	815.00	$ 6,115.00	$ 20.12
* Additional charges may apply.					

- The next 1 to 10,000 gallons - $2.99 per thousand gallons
- The next 10,001 to 20,000 gallons - $3.11 per thousand gallons
- The next 20,001 to 30,000 gallons - $3.29 per thousand gallons
- The next 30,001 to 50,000 gallons - $3.53 per thousand gallons
- 50,001 gallons and over - $3.89 per thousand gallons

EXHIBIT B

Miscellaneous Fees

Consumption Fee per 1,000 gallons		$	3.25
Customer Service Inspection Fee		$	50.00
Equipment Damage Fees (for 1" meter size or less) *			
Replace damaged, removed or destroyed locks **			
1st Offense		$	150.00
Subsequent Offense(s)		$	250.00
Replace damaged or destroyed angle stops	**	$	250.00
Replace damaged or destroyed water meters	**	see Exhibit A	
Feasibility Study Fee		$	500.00
Meter Accuracy Test Fee		$	75.00
Reconnect Fee		$	60.00
Temporary Reconnection Fee		$	50.00
Returned Check Charge		$	30.00
Security Deposit		$	100.00
Subdivision Deposit per LUE		$	100.00
LUE Extension Fee		$	50.00

** Damage fees for meter sizes greater than 1" to be determined on a case by case basis.*

*** If actual costs exceed schedule, the actual costs should be levied.*