

Southern Utilities Company

218 N. Broadway
Tyler, Texas 75702

Billing Office	903-593-2588
Service Office	903-566-3511
Rusk & Gregg County	1-866-865-5722

CONTRACT/APPLICATION FOR UTILITY SERVICE

This Contract/Application for Utility Service ("Contract/Application") is by and between Southern Utilities Company, a corporation, its successors and assigns ("Utility") and the applicant ("Customer" or "Applicant") whose name and signature is shown below on the last page of this document.

CUSTOMER LIABILITY: Customer shall be liable for any damage or injury to Utility-owned property or personnel shown to be caused by the customer, his invitees, his agents, his employees, or others under his control. By accepting service under this Contract/Application, Customer agrees to take no action to create a health hazard or otherwise endanger, injure, damage or threaten Utility's plant, its personnel, or its customers. Failure to comply with this provision shall be grounds to terminate Customer's service.

LIMITATION ON UTILITY'S PRODUCT/SERVICE LIABILITY: Public water utilities are required to deliver water to the Customer's side of the meter or service connection which meets the potability and pressure standards of the Texas Commission on Environmental Quality ("TCEQ"). Utility will not accept liability for any injury or damage to individuals or to their properties occurring on the Customer's side of the meter when the water delivered meets these State standards. Utility makes no representations or warranties (expressed or implied) that Customer's appliances will not be damaged by disruption of or fluctuations in water service, whatever the cause. Utility will not accept liability for injuries or damages to persons or property due to disruption of water service caused by: (1) acts of God (2) acts of third parties not subject to the control of Utility if Utility has undertaken such preventive measures as are required by TCEQ rules, (3) electrical power failures in water systems not required by TCEQ rule to have auxiliary power supplies, or (4) termination of water service pursuant to Utility's tariff and the TCEQ rules.

FIRE PROTECTION: Utility is not required by law and does not provide fire prevention or fire fighting services. Utility therefore does not accept liability for fire-related injuries or damages to persons or property caused or aggravated by the availability (or lack thereof) of water or water pressure (or lack thereof) during fire emergencies. Utility may (but is not required to) contract with individual customers/applicants to provide water service capacities to their properties in excess of the TCEQ's domestic water system regulations so that such water volumes and pressures may be used by the customer/applicant or local fire department (at their sole election and responsibility) for fire fighting purposes. Such additional water service capacities shall be provided only in response to and according to design criteria and/or plans prepared by the customer/applicant's registered professional engineer. Notwithstanding any understanding or intent of such customer/applicant for the use of such excess water service capacity, Utility does not profess, state, warrant, guarantee, or imply that such additional water service capacity is, or shall ever be, adequate or sufficient for fire fighting. Utility neither possesses nor claims to possess knowledge or expertise in fire fighting or the requirements of fire fighting. No statement or action of Utility shall ever be implied or meant to suggest that any facilities of Utility comply with any state or local fire code.

EXTENSION AND FACILITIES: If the services of a registered professional engineer are required as a result of an application for service to that applicant only, such engineer will be selected by Utility and the applicant, and applicant shall bear all expense incurred therein. The applicant shall bear all extension charges and fees as may be provided in Utility's tariff and the rules of the TCEQ.

PLUMBING CODE: Utility has adopted the Southern Plumbing Code pursuant to TCEQ Rule 290.46(i). Any extensions and/or new facilities shall comply with that code and all standards established by the TCEQ. Where conflicts arise, the more stringent standard must be followed.

If an applicant requires service other than the standard service provided by Utility, such applicant will be required to pay all expenses incurred by Utility in excess of the expenses that would be incurred in providing the standard service and connection. Any applicant who places unique or non-standard service demands on the system may be required to provide contributions in aid of construction for the actual costs of any additional facilities required to maintain compliance with the TCEQ's minimum design criteria for Public Drinking Water Systems plus meeting any additional requirements needed to meet local service conditions. Utility shall bear all expense related to main oversizing or additional production, storage or treatment facilities for individual residential customers with normal domestic service demands.

The piping and other equipment on the premises furnished by the Customer will be maintained by the Customer at all times in conformity with the requirements of the applicable regulatory authorities and with the service rules and regulations of Utility. The Customer will bring out his service line to his property line at a point mutually acceptable to Utility and the Customer. No water service smaller than 5/8" will be connected. The Customer shall install and maintain a cut-off valve on the Customer side of the meter and within three (3) feet of the meter. If the Customer desires water at a lower pressure than that which is delivered at the meter and such delivery pressure does not exceed any TCEQ rule or order pressure standard, the Customer will install, at the Customer's expense, the equipment necessary for such reduction in pressure. It shall be the Customer's responsibility to maintain such equipment in good repair and working order.

Except in cases where the Customer has a contract with Utility for reserve or auxiliary service, no other water service will be used by the Customer on the same installation in conjunction with Utility's service, either by means of a cross-over valve or any other connection. Customer shall not connect, or allow any other person or party to connect, onto any water lines on his premises. Two (2), or more, consuming facilities shall not be permitted to be supplied with one (1) service pipe where there is a water main abutting the premises; each shall have separate service lines and meters. For the purpose of this paragraph, each residence shall be construed to be one (1) entity or consuming facility.

It is agreed and understood that any and all meters, water lines and other equipment furnished by Utility (excepting the Customer's individual service line from the point of connection to the Customer's point of ultimate use) is and shall remain the sole property of Utility and nothing contained herein shall be construed to reflect a sale or transfer of any such meters, lines or equipment to any customer. All tap charges shall be for the privilege of connecting to said water lines and for installation, not purchase, of said meters and lines.

PERIOD OF USE: Customer shall tie onto the Utility system within sixty (60) days of the date of this Contract/Application or this Contract/Application shall be deemed void. Any additional request for service for this location must then be made by a new Contract/Application. If major utility construction, on the Customer's private water distribution facilities, is needed prior to service being connected, the above date may be extended for another sixty (60) days upon completion of a new Contract/Application, or conversely, the Customer may begin paying a monthly water bill based upon an average of the estimated annual gallons as shown below.

ASSIGNMENT: No application, agreement or contract for service may be assigned or transferred without the written consent of Utility.

OTHER CONTRACTS: It is possible that Applicant and Utility will enter into an additional contract pertaining to water service at this location. Any such contract shall be in addition to this Contract/Application. Nothing therein will negate any provision of this Contract/Application.

RIGHT OF ACCESS AND EASEMENTS: Utility will have the right of access to the Customer's premises at all reasonable times for the purpose of installing, 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 Utility's system, including inspection of the Customer's plumbing for code, plumbing or tariff violations. This right of access shall not include the right to construct and maintain production, storage or treatment facilities unless these facilities are required to provide continuous and adequate service to the individual property in question.

If the property to be served does not have dedicated, recorded public utility easements available for Utility's use in providing water utility service to the property, the Applicant (or the Applicant's landlord in the case of a tenant applicant) shall be required to provide Utility with a suitable recorded easement as a condition of service. Such easement shall be in a location acceptable to Utility and shall be for a corridor no less than fifteen (15) feet in width. The easement shall be signed by (and shall be binding upon) all record title owners of the property in question. No applicant shall be deemed to be a "qualified" applicant under the TCEQ's rules until such easement is recorded.

LANDLORD GUARANTEE: Applications by tenants MUST be countersigned by the owner of the property. By signing the application, the landlord grants all required rights of access. IF the landlord is designated herein as the person responsible for the bill, then the landlord GUARANTEES PAYMENT of all utility service charges and fees incurred by or compensable damages caused by its tenant.

PLUMBING RESTRICTIONS:

The following undesirable plumbing practices are prohibited by state regulations. Other prohibitions are found in the Southern Plumbing Code and/or Utility's tariff.

- A. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public drinking water system by an air-gap or the installation of an appropriate backflow prevention assembly in accordance with TCEQ rules.
- B. No cross-connection between the public drinking water supply and a private water supply is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the installation of an air-gap or the installation of an approved reduced pressure zone backflow prevention assembly, properly installed with a service agreement existing for annual inspection and testing by a state-licensed tester.
- C. No connection which allows water to return to the public drinking water supply is permitted.
- D. No pipe or pipe fitting which contains more than 8.0% lead may be used for the installation or repair of plumbing at any connection which provides water for human use.
- E. No solder or flux which contains more than 0.2% lead can be used for the installation or repair of plumbing of any connection which provides water for human use.

APPEAL TO THE TCEQ OR OTHER REGULATORY AGENCY: Any applicant or existing customer required to pay for any costs not specifically set forth in the rate schedule pages of Utility's approved tariff shall be entitled to a written explanation of such costs prior to payment and/or commencement of construction. If the applicant or existing customer does not believe that these costs are reasonable or necessary, the applicant or existing customer shall have the right to appeal such costs to the TCEQ or such other regulatory authority with jurisdiction over Utility's rates in that portion of Utility's service area in which

the applicant's or existing customer's property is located. Unless the TCEQ or other regulatory authority enters interlocutory orders to the contrary, service to the applicant may be delayed until such appeal is resolved.

PLUMBING INSPECTION: State law requires applicants for service at new consuming facilities, existing consuming facilities if the Utility has reason to believe that cross-connections or other potential contaminant hazards may exist, or facilities which have undergone material plumbing modifications to deliver to the Utility a Service Inspection Certification, as prescribed by the Utility, that their private water distribution facilities have been inspected by a state-licensed inspector and that they are in compliance with all applicable plumbing codes and are free of potential hazards to public health and safety. In addition, Utility shall require such certificates in the case of material plumbing modifications to the Customer's private water distribution facilities made after the initial date of service to Customer. Installation of a landscaping sprinkler system shall be considered material plumbing modifications. If the Customer installs and/or maintains a landscaping sprinkler system, the Customer must deliver the appropriate inspection certificate to the Utility, including any annual inspection reports if required. Service may be denied until the certificate is received and any identified violations or hazards remedied. When potential sources of contamination are identified which, in the opinion of the inspector or Utility, require the installation of a state-approved backflow prevention assembly, such backflow flow prevention assemblies shall be installed on the Customer's service line or other necessary plumbing facilities by an appropriately state-licensed plumber/backflow prevention assembly specialist at the Customer's expense. The backflow prevention assembly shall be maintained by the Customer at his expense and shall be tested annually by a state-licensed tester. The original testing report, as prescribed by the Utility, shall be properly completed, executed and delivered to the Utility. Failure to comply with this testing and reporting requirement may constitute grounds for termination of water service with notice.

CUSTOMER AGREEMENT: BY SIGNING THIS APPLICATION FOR PUBLIC UTILITY SERVICE, I AGREE TO COMPLY WITH UTILITY'S RULES AND TARIFF AND ALL RULES AND REGULATIONS OF THE TCEQ AND OTHER APPLICABLE REGULATORY AGENCIES. I GUARANTEE PROMPT PAYMENT OF ALL UTILITY BILLS FOR THE SERVICE ADDRESS PRINTED BELOW. I AGREE TO REMAIN RESPONSIBLE FOR UTILITY BILLS FOR THIS SERVICE ADDRESS FROM THE DATE SERVICE IS STARTED UNTIL THE DAY SERVICE IS TERMINATED AT MY WRITTEN REQUEST.

I AGREE TO TAKE NO ACTION TO CREATE A HEALTH HAZARD OR OTHERWISE ENDANGER, INJURE, DAMAGE OR THREATEN UTILITY'S PLANT, ITS PERSONNEL, OR ITS CUSTOMERS. FAILURE TO COMPLY WITH THIS PROVISION SHALL BE GROUNDS TO TERMINATE MY SERVICE.

I AGREE TO PUT NO UNSAFE, NON-DOMESTIC SERVICE DEMANDS ON UTILITY'S SYSTEM WITHOUT NOTICE TO AND PERMISSION FROM UTILITY.

I HAVE BEEN SHOWN A COPY OF UTILITY'S TCEQ-APPROVED TARIFF AND I AGREE TO PAY THE RATES IN THE TARIFF AND ABIDE BY THE REQUIREMENTS IN THIS APPLICATION. I ACKNOWLEDGE THAT THE RATES AND/OR TERMS OF SERVICE IN THE TARIFF MAY BE CHANGED BY FUTURE ORDER OF THE TCEQ OR OTHER REGULATORY AUTHORITY HAVING JURISDICTION OVER UTILITY'S RATES. I AGREE TO ABIDE BY SUCH CHANGES AS THEY OCCUR.

1. **Date of Application:** _____ **Date to begin service:** _____

2. **Account No.:** _____ **Existing Service:** _____ **New Service:** _____
Previous Customer: _____

Transferred from Account No. (if applicable): _____ Off Date: _____

3. **Applicant's Name:** _____ **Spouse:** _____

Billing Address: _____

Telephone: Residence: _____ **Business:** _____ **Ext:** _____
Drivers Lic. No.: _____ **State:** _____ **SSN:** _____
Spouse's DL. No.: _____ **State:** _____ **SSN:** _____

Applicant is: **Landowner:** _____ **Tenant:** _____
If Tenant: **Name of Landlord:** _____
Landlord's Address: _____

Telephone: Residence: _____ **Business:** _____ **Ext:** _____

4. **Service location (911 address if possible):** _____

Directions to new service location (attach plat or drawing, if possible): _____

Subdivision: _____ **Lot:** _____ **Block:** _____
School District: _____ **County:** _____

5. **Type of water service:** Permanent _____ **For:** Residential _____ **NAICS No.:** _____
 Temporary _____ Commercial _____ **SIC No.:** _____
 Industrial _____
 Developer _____
 Other _____

Agreement for temporary water service attached: Yes _____ No _____
Date of agreement: _____
Temporary service to be terminated on: _____

6. **Purpose for which water service is to be used:**
 Residential _____ Other _____ (explain use below)

7. **Water volume and pressure required (to be completed by applicants other than residential applicants):**
Gallons Required: Annual _____ Highest day _____ Highest GPM: _____
Pressure (psi) Required: Minimum _____ Average _____ Maximum _____

Special service requirements: _____

8. **Person responsible for payment of utility service bills, if other than applicant (Guarantor):**
Name: _____
Billing address: _____

Telephone: Residence: _____ **Business:** _____ **Ext:** _____
Drivers Lic. No.: _____ **State:** _____ **SSN:** _____

9. Size of water meter applied for: _____ Tap fee due: \$ _____
 Date tap fee paid: _____ Paid by: Cash _____ Check # _____ Other _____
 Road bore required: Yes _____ No _____ Undetermined _____ (COST TO BE PAID BY CUSTOMER)

Location of water meter: On or before the _____ day _____, _____, the Applicant agrees to set a wooden stake, clearly marked with the words "Water Meter" at a location, at or near the property line, which it is desired that the applied for water meter be installed. **NOTE:** The applied for water meter will not be installed until a wooden stake is set, unless a meter box is presently installed on the property. If a meter box is presently installed on the property, Applicant agrees to accept the applied for water meter at the location of said meter box.

10. Service deposit required: Yes _____ No _____ Amount: \$ _____ Receipt # _____
 If Yes: Date Paid: _____ Paid by: Cash _____ Check # _____ Other _____
 If No: Reason for Exemption: _____

11. Miscellaneous fees required as a condition of water service:

<u>Amount</u>	<u>Type</u>	<u>Refundable</u>	
\$ _____	_____	Yes _____	No _____
\$ _____	_____	Yes _____	No _____
\$ _____	_____	Yes _____	No _____
\$ _____	_____	Yes _____	No _____
\$ _____ Total Miscellaneous Fees Required		Receipt # _____	

Date Paid: _____ Paid by: Cash _____ Check # _____ Other _____

12. Public utility easement required: Yes _____ No _____ Date _____ Vol/Pg _____

13. Service Inspection Certificate on file: Yes _____ No _____
 If Yes: Date of inspection _____

Annual testing required: Yes _____ No _____
 If Yes: Date of next annual test: _____

Service inspection required: Yes _____ No _____ Pending _____

AGREED AND ACCEPTED ON THIS THE _____ DAY OF _____, _____.

APPLICANT:

BY: _____ Company: _____
 Name (print): _____ Title: _____

LANDLORD: (Landlord **MUST** sign if Applicant is a Tenant)

BY: _____ Company: _____
 Name (print): _____ Title: _____

GUARANTOR:

BY: _____ Company: _____
 Name (print): _____ Title: _____

SOUTHERN UTILITIES COMPANY:

BY: _____ Company: _____
 Name (print): _____ Title: _____

DESCRIPTION OF FACILITY REQUESTING POTABLE WATER SERVICE FROM SOUTHERN UTILITIES COMPANY

PWS I.D. NO.: 2120063 _____ 2010018 _____ (Rusk County)

Applicant Name: _____ Account No.: _____
 Service Location: _____
 (911 Address, if available) _____

To be completed by Property Owner/Landlord:

Type of Facility: residence _____ mobile home _____ apartment _____ duplex, triplex, etc. _____
 hotel/motel _____ school _____ RV Park _____ mobile home park _____
 church _____ farm/ranch _____ dairy _____ business or public facility _____

If business or public facility, identify type and describe in detail the activities to be conducted therein. _____

Please check the box(es) applicable to the facility referred to above:

	Yes	No		Yes	No		Yes	No
r multi-residential	<input type="checkbox"/>	<input type="checkbox"/>	medical/dental/vet	<input type="checkbox"/>	<input type="checkbox"/>	sprinkler/irrigation system	<input type="checkbox"/>	<input type="checkbox"/>
spa/hot tub	<input type="checkbox"/>	<input type="checkbox"/>	aerobic septic system	<input type="checkbox"/>	<input type="checkbox"/>	chemical process/products	<input type="checkbox"/>	<input type="checkbox"/>
barns/stables	<input type="checkbox"/>	<input type="checkbox"/>	private water well	<input type="checkbox"/>	<input type="checkbox"/>	r ornamental fountains/ponds	<input type="checkbox"/>	<input type="checkbox"/>
laboratory	<input type="checkbox"/>	<input type="checkbox"/>	swimming pool	<input type="checkbox"/>	<input type="checkbox"/>	r livestock water troughs	<input type="checkbox"/>	<input type="checkbox"/>
greenhouses	<input type="checkbox"/>	<input type="checkbox"/>	condensers/boilers	<input type="checkbox"/>	<input type="checkbox"/>	food/beverage service	<input type="checkbox"/>	<input type="checkbox"/>
nursery	<input type="checkbox"/>	<input type="checkbox"/>	poultry operations	<input type="checkbox"/>	<input type="checkbox"/>	water storage/hauling	<input type="checkbox"/>	<input type="checkbox"/>
ag products	<input type="checkbox"/>	<input type="checkbox"/>	laundry/cleaners	<input type="checkbox"/>	<input type="checkbox"/>	lake/pond/river pumps	<input type="checkbox"/>	<input type="checkbox"/>
mortuary	<input type="checkbox"/>	<input type="checkbox"/>	dairy operations	<input type="checkbox"/>	<input type="checkbox"/>	auto/engine repair	<input type="checkbox"/>	<input type="checkbox"/>
fabricating	<input type="checkbox"/>	<input type="checkbox"/>	water fountains	<input type="checkbox"/>	<input type="checkbox"/>	r waterfront property	<input type="checkbox"/>	<input type="checkbox"/>
manufacturing	<input type="checkbox"/>	<input type="checkbox"/>	public restrooms	<input type="checkbox"/>	<input type="checkbox"/>	petroleum products	<input type="checkbox"/>	<input type="checkbox"/>
processing	<input type="checkbox"/>	<input type="checkbox"/>	janitorial room	<input type="checkbox"/>	<input type="checkbox"/>			
car wash	<input type="checkbox"/>	<input type="checkbox"/>	marina/docks	<input type="checkbox"/>	<input type="checkbox"/>	r Contact Field Office		

To be completed by Southern Utilities Company:

Service Inspection Certification on file: yes _____ no _____
 If yes - date of inspection: _____
 Annual testing required yes _____ no _____
 Service Inspection required of Applicant: yes _____ no _____ State Reason _____

If a Service Inspection is required, Applicant or Owner/Landlord agrees to effect said inspection by a state-licensed Inspector and to effect the installation and testing of all backflow prevention assemblies required, at the Applicant's or Owner/Landlord's sole expense. Further, Applicant or Owner/Landlord agrees to deliver the attached Service Inspection Certification form and Backflow Prevention Assembly Test and Maintenance Report form, for each backflow prevention assembly required, to Southern Utilities Company prior to initiation of potable service. Any misrepresentation herein by Applicant or Owner/Landlord will render this agreement null and void for all purposes.

AGREED AND ACCEPTED ON THIS THE _____ DAY OF _____, _____.

Property Owner/Landlord _____

Applicant _____

Southern Utilities Company Representative _____

THE STATE OF TEXAS §
COUNTY OF _____ §

BEFORE ME, the undersigned, a Notary Public in and for said State, on this day personally appeared _____ known to me be the person whose name is subscribed as landlord / tenant to the foregoing instrument, Contract / Application for Utility Service, and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the _____ day of _____, 20____.

Notary Public, State of _____