

NOTICE TO NEW APPLICANTS FOR POTABLE WATER SERVICE AND DISCONNECTED CUSTOMERS

TO: Applicants for Potable Water Service
Disconnected Customers
SUBJECT: Customer Installed Cut-Off Valve (Gate Valve)

To initiate potable water service from Southern Utilities Company (Southern), Southern requires full compliance with all conditions of potable water service as set forth in Southern's approved Water Tariff and its Contract/Application for Utility Service, including, but not limited to, the installation of a customer owned cut-off valve (gate valve) on the customer's private plumbing system within three feet (3') of Southern's potable water meter.

Completion of Southern's Contract/Application for Utility Service, including full compliance with all conditions of potable water service stated therein, is required to be deemed a "qualified service applicant" and eligible for the provision of potable water service from Southern.

Additionally, if potable water service has been disconnected due to nonpayment of delinquent bills, violation of service rules, damage to Southern owned equipment, unauthorized restoration of water service, leaks on Customer's private plumbing system, etc., full compliance with all conditions of potable water service as stated in Southern's approved Water Tariff and its Contract/Application for Utility Service is required prior to restoration of potable water service.

Please refer to Page 2 of Southern's Contract/Application for Utility Service, which states in part:

"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. (emphasis added). 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."

Southern will not initiate potable water service to a new applicant or restore potable water service to an existing customer unless a customer owned cut-off valve (gate valve) is installed as required by Southern's State approved Water Tariff and Southern's Contract/Application for Utility Service.