

October 29, 2021

Dear CSWR-Texas Customer,

The City of Rockport may have decided to amend the wholesale water rates charged to all wholesale customers, including CSWR-Texas, effective September 15, 2021. CSWR-Texas is required to implement the rate increase, bill customers, and send the money it collects to the City of Rockport. CSWR-Texas does not profit from the rate increase and does not control any aspect of the City of Rockport's decision to raise rates.

CSWR-Texas hereby notifies you that it is amending its tariff to raise the gallonage charge attributable to the City of Rockport, effective November 1, 2021. The new amended gallonage charge will be \$7.35 per 1,000 gallons. Prior to this change, the gallonage charge attributable to the City of Rockport was \$6.60 per 1,000 gallons. The calculation on the next page demonstrates the basis for the \$7.35 per 1,000-gallon charge and includes a customer bill comparison.

The Public Utility Commission of Texas will review this minor tariff change and order any revisions that it determines are warranted. The proposed effective date of the proposed amendment to the Company's pass-through charge is November 1, 2021.

This tariff change is being implemented in accordance with the minor tariff changes allowed by 16 Texas Administrative Code §24.25. The cost to you as a result of this change will not exceed the costs charged to your utility.

If you have any questions about this minor tariff change, please call 866-301-7725 or email us at support@cswrtexaswateruoc.com.

Sincerely,

CSWR-Texas Customer Care

New City of Rockport Wholesale Water Rate Fee Calculation

G = gallonage charge from City of Rockport*	\$6.11 (per 1,000 gallons)
L = water line loss	16.83%
Adjusted Gallonage Charge = $G / (1-L)$	\$7.35 (per 1,000 gallons)

*The City of Rockport increased the fee charged to CSWR-Texas to \$6.11 per 1,000 gallons, effective September 15, 2021.

Customer Bill Comparison at 5,000 gallons

Previous Calculation of Example Customer Billing:

5/8" or 3/4" meter using 5,000 gallons

Monthly Minimum Charge	\$31.91
CSWR-Texas Gallonage Charge passed-through from the City of Rockport [\$6.60 x 5,000/1,000 gallons]	\$33.00
Total:	\$64.91

New Calculation of Example Customer Billing:

5/8" or 3/4" meter using 5,000 gallons

Monthly Minimum Charge	\$31.91
CSWR-Texas Gallonage Charge passed-through from the City of Rockport [\$7.35 x 5,000/1,000 gallons]	\$36.75
Total:	\$68.66