

October 29, 2021

Dear CSWR-Texas Customer,

The North Harris County Regional Water Authority (“NHCR Water Authority”) may from time to time amend the rates paid to the NHCR Water Authority for water used within its limits, which includes the Tall Pines water system. NHCR Water Authority previously amended its rates, effective April 1, 2021. The previous owner of the Tall Pines water system did not take required action at that time to amend its retail water rates to pass-through the NHCR Water Authority rate increase to customers. CSWR-Texas is required to implement the rate increase, bill customers, and send the money it collects to the NHCR Water Authority. CSWR-Texas does not profit from the rate increase and does not control any aspect of NHCR Water Authority’s decision to raise rates.

CSWR-Texas hereby notifies you that it is amending its tariff to raise the gallonage charge attributable to NHCR Water Authority Fee, effective November 1, 2021. The new amended gallonage charge will be \$5.41 per 1,000 gallons. Prior to this change, the NHCR Water Authority Fee was \$1.75 per 1,000 gallons. The calculation on the next page demonstrates the basis for the \$5.41 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](mailto:support@cswrtexaswateruoc.com).

Sincerely,

CSWR-Texas Customer Care

**New North Harris County Regional Water Authority Fee Calculation**

G = gallonage charge from NHCR Water Authority*	\$4.60 (per 1,000 gallons)
L = water line loss not to exceed 15%	15% (Actual line loss = 21.83%)
Adjusted Gallonage Charge = $G / (1-L)$	\$5.41 (per 1,000 gallons)

\*NHCR Water Authority increased the fee charged to CSWR-Texas to \$4.60 per 1,000 gallons, effective April 1, 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	\$48.61
CSWR-Texas Gallonage Charge [\$1.69 x 5,000/1,000 gallons]	\$8.45
NHCR Water Authority Fee [\$1.75 x 5,000/1,000 gallons]	\$8.75
<b>Total:</b>	<b>\$65.81</b>

New Calculation of Example Customer Billing:

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

Monthly Minimum Charge	\$48.61
CSWR-Texas Gallonage Charge [\$1.69 x 5,000/1,000 gallons]	\$8.45
NHCR Water Authority Fee [\$5.41 x 5,000/1,000 gallons]	\$27.05
<b>Total:</b>	<b>\$84.11</b>