

APPLICATION FOR UTILITY SERVICE AND SERVICE AGREEMENT

This application for utility service and service agreement (“*Agreement*”) is by and between Lone Star Water Company, a Texas corporation, (“*Utility*”) and the applicant (“*Customer*” or “*Applicant*”) whose signature is shown at the end of this document.

AGREEMENT BETWEEN UTILITY AND APPLICANT:

- A. Applicant must sign this Agreement before Utility will begin water service.
- B. All utility services to be provided hereunder are subject to all terms and conditions of the Utility’s state-approved tariff, applicable rules and regulations promulgated by the Public Utility Commission of Texas (“*PUCT*”) and the Texas Commission on Environmental Quality (“*TCEQ*”). Customer acknowledges that the rates and/or terms of service in the tariff may be changed by future order of the PUCT or other regulatory authority having jurisdiction over Utility’s rates and agrees to abide by such changes as they occur.
- C. Applicant is solely responsible for installing, inspecting, maintaining and repairing any piping or other water facilities on Applicant’s side of the meter. Customer (on its own behalf and on behalf of its successors, assigns, heirs and representatives) hereby fully and forever releases Utility and holds Utility harmless from and against any and all claims/demands for damage to real or personal property occurring beyond the point the Customer connects to the water meter.
- D. Applicant shall not tamper with Utility’s shut-off valve, meter or meter box. Applicant shall not, in any way, obstruct the Utility’s access to the meter. All meters, water lines and other equipment furnished by Utility, except the Applicant’s individual service line from the point of connection to the Applicant’s point of ultimate use, are and shall remain the sole property of the Utility.
- E. The meter and/or connection are for the sole use of the Applicant to serve water to one dwelling, business or property. Applicant will not share, resell or sub-meter water to another dwelling, business or property.
- F. Utility may refuse service or disconnect service in any manner approved by the PUCT, if Customer fails to comply with this Agreement. If Customer violates the “RESTRICTIONS” below or if there are potential cross connections or other potential contamination hazards that Customer refuses to immediately remove or adequately isolate, Utility, at its option, may terminate service or install, test and maintain a backflow prevention device at the service connection. Any costs associated with the installation, testing or maintenance of a backflow prevention device shall be paid by the Applicant. Utility shall have no duty or obligation to install a backflow prevention device.
- G. Utility will discontinue service for non-payment as stated on the “Past Due” bill. To reinstate service, the appropriate reconnect fees and security deposit will be required.
- H. This Agreement may not be assigned or transferred without the written consent of Utility.

DEPOSIT: A residential service applicant may be required to pay a deposit of \$50 for water service and may be required to pay an additional deposit for sewer service (if applicable). No deposit may be required of a residential service applicant who is 65 years of age or older if the applicant does not have a delinquent account balance with Utility or another water utility. Applicant must provide valid proof of age. A commercial service applicant may be required to pay a deposit as specified in the tariff.

CUSTOMER LIABILITY: Customer shall be liable for any damage or injury to Utility-owned property or personnel by the Customer or others under his control. Customer agrees to take no action to create a health or safety hazard or otherwise endanger, injure, damage or threaten Utility’s plant or equipment, its personnel or its customers.

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 TCEQ. 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, (3) electrical power failures or (4) termination of water service pursuant to Utility’s tariff, TCEQ and PUCT rules.

FIRE PROTECTION: Utility is not required by law and does not provide fire prevention, fire protection, fire suppression, or firefighting 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 either water or water pressure during fire emergencies, and Customer (on its own behalf and on behalf of its successors, assigns, heirs, legatees and legal representatives) hereby fully and forever releases Utility from any and all such liability.

RESTRICTIONS: The following practices are unacceptable and prohibited by Utility and TCEQ:

- 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 an appropriate backflow prevention device.

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- B. No cross connection between the public drinking water supply and a private water system 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 a reduced pressure-zone backflow prevention device.
- C. No connection which allows water to be returned to the public drinking water supply is permitted.
- D. No pipe or pipe-fitting which contains more than 0.25% 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 at any connection which provides water for human use.

RIGHT OF ACCESS AND EASEMENTS: Applicant hereby grants Utility access at all reasonable times to its property and equipment located upon the Applicant's premises 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. 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 recorded permanent easement as a condition of service. Such easement shall be in a location acceptable to Utility in its sole and absolute discretion and shall be for a corridor no less than fifteen (15) feet in width. If no such permanent easement is recorded, this Agreement shall evidence Applicant's grant of such permanent easement to the fullest extent permitted by applicable law.

PLUMBING INSPECTION: Applicants for service at facilities where service has not been previously provided or facilities which have undergone extensive plumbing modifications, are required to deliver to the Utility a certificate that their facilities have been inspected by a state-licensed inspector, that they are in compliance with all applicable plumbing codes and are free of cross connections or other potential hazards to public health and safety (including without limitation those listed in "RESTRICTIONS" above). Service may be denied until the certificate is received or any identified violations or hazards are remedied at Customer's sole cost and expense. When potential sources of contamination are identified that require the installation of a backflow prevention device, such backflow prevention device shall be installed, tested and maintained at the Customer's sole cost and expense.

SEWER REGULATIONS (only if sewer service provided): Utility only provides "sewage" collection and disposal service to the public. This service is limited to the collection, treatment and disposal of waterborne human waste and waste from domestic activities such as washing, bathing and food preparation. This service does not include the collection, treatment or disposal of waste of such high BOD or TSS characteristics that cannot reasonably be processed by the Utility's state approved wastewater treatment plant within the parameters of the Utility's wastewater discharge permit. **THIS SERVICE DOES NOT INCLUDE THE COLLECTION AND DISPOSAL OF STORM WATERS OR RUN OFF WATERS, WHICH MAY NOT BE DIVERTED INTO OR DRAINED INTO UTILITY'S COLLECTION SYSTEM. NO GREASE, OIL, SOLVENT, PAINT, OR OTHER TOXIC CHEMICAL COMPOUND MAY BE DIVERTED INTO OR DRAINED INTO THE UTILITY'S COLLECTION SYSTEM.** It shall be the Customer's responsibility to maintain the service line and appurtenances in good operating condition, i.e., clear of obstruction, defects or blockage. If there is excessive, infiltration or inflow or failure to provide proper pretreatment, Utility may require Customer to repair the line or eliminate the infiltration or inflow or take such actions necessary to correct the problem.

RESIDENTIAL SINGLE FAMILY GRINDER/SEWAGE STATIONS (only if sewer service provided): Utility will install the grinder pumps, storage tanks, controls and other appurtenances necessary to provide pressurized sewer service to a residential connection. Customer will have ownership of all utility-installed grinder pumps, receiving tanks, lift stations or controls on the Customer's property, and all maintenance, repairs and replacement are the Customer's responsibility. The repairs may be performed by anyone selected by the Customer, who is competent to perform such repairs. Utility requires that parts and equipment meet the minimum standards approved by the TCEQ or other relevant regulatory authority, to insure proper and efficient operation of the sewer system.

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 all applicable regulatory agencies (including without limitation the PUCT and TCEQ). I guarantee prompt payment of all Utility bills for the service address printed above. I will personally remain responsible for Utility bills until the day service is terminated at my request. I agree to take no action to create a health hazard or otherwise endanger, injure, damage or threaten Utility's plant or equipment, its personnel, or its customers and hereby agree to fully and forever indemnify and hold harmless Utility against any and all such action(s) I take. I agree to put no unsafe, non-domestic service demands on Utility's system without written notice to and written permission from Utility.