

SECTION 4.0 -- DROUGHT CONTINGENCY PLAN
(Utility must attach copy of TCEQ approved Drought Contingency Plan)

TEXAS COMM. ON ENVIRONMENTAL QUALITY

34681CCN13069 JAN 06 '06

APPROVED TARIFF BY gika

RECEIVED

NOV 03 2004

TEXAS COMMISSION
ON ENVIRONMENTAL QUALITY
Water Tariff

KT Water Development, Ltd.

(Utility Name)

SECTION 4.0 -- DROUGHT CONTINGENCY PLAN

Section 1 Declaration of Policy, Purpose, and Intent

In cases of extreme drought, periods of abnormally high usage, system contamination, or extended reduction in ability to supply water due to equipment failure, temporary restrictions may be instituted to limit non-essential water usage. The purpose of the Drought Contingency Plan is to encourage customer conservation in order to maintain supply, storage, or pressure or to comply with the requirements of a court, government agency or other authority.

Please note: Water restriction is not a legitimate alternative if water system does not meet the Texas Commission on Environmental Quality's (TCEQ) capacity requirements under normal conditions **or** if the utility fails to take all immediate and necessary steps to replace or repair malfunctioning equipment.

Section 2 Public Involvement

Opportunity for the public to provide input into the preparation of the Plan was provided by (check at least one of the following):

- scheduling and providing public notice of a public meeting to accept input on the Plan.*

The meeting took place at:

Date: _____

Time: _____

Place: _____

- mailed survey with summary of results.*

- bill insert inviting comment.*

- other method new subdivision - involvement not applicable*

Section 3 Public Education

The utility will periodically provide the public with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. Drought plan information will

SECTION 4.0 -- DROUGHT CONTINGENCY PLAN (Continued)

be provided by (check at least one of the following):

- public meeting
 press releases
 utility bill inserts
 other _____

Section 4 Coordination with Regional Water Planning Groups

The service area of the utility is located within Regional Water Planning Group (RWPG) L.

The utility mailed a copy of this Plan to the RWPG

Section 5 Notice Requirements

Written notice will be provided to each customer **prior to implementation or termination of each stage of the water restriction program**. Mailed notice must be given to each customer 72 hours prior to the start of water restriction. If notice is hand delivered, the utility cannot enforce the provisions of the plan for 24 hours after notice is provided. The written notice to customers will contain the following information:

1. the date restrictions will begin,
2. the circumstances that triggered the restrictions,
3. the stages of response and explanation of the restrictions to be implemented, and,
4. an explanation of the consequences for violations.

The utility must notify the TCEQ by telephone at (512) 239- 6020, or electronic mail at watermon@tceq.state.tx.us prior to implementing the program and must notify in writing the Public Drinking Water Section at MC - 155, P.O. Box 13087, Austin, Texas 78711-3087 within five (5) working days of implementation including a copy of the utility's restriction notice. The utility must file a status report of its restriction program with the TCEQ every 30 days that restriction continues.

SECTION 4.0 -- DROUGHT CONTINGENCY PLAN (Continued)

Section 6 Violations

4. First violation - The customer will be notified by written notice of their specific violation.
5. Subsequent violations:
 - a. After written notice, the utility may install a flow restricting device in the line to limit the amount of water which will pass through the meter in a 24 hour period. The utility may charge the customer for the actual cost of installing and removing the flow restricting device, not to exceed \$50.00.
 - b. After written notice, the utility may discontinue service at the meter for a period of seven (7) days, or until the end of the calendar month, whichever is LESS. The normal reconnect fee of the utility will apply for restoration of service.

Section 7 Exemptions or Variances

The utility may grant any customer an exemption or variance from the drought contingency plan for good cause **upon written request**. A customer who is refused an exemption or variance may appeal such action of the utility in writing to the Texas Natural Resource Conservation Commission. The utility will treat all customers equally concerning exemptions and variances, and shall not discriminate in granting exemptions and variances. No exemption or variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

Section 8 Response Stages

Unless there is an immediate and extreme reduction in water production, or other absolute necessity to declare an emergency or severe condition, the utility will initially declare Stage I restrictions. If, after a reasonable period of time, demand is not reduced enough to alleviate outages, reduce the risk of outages, or comply with restrictions required by a court, government agency or other authority, Stage II may be implemented with Stage III to follow if necessary.

STAGE I - VOLUNTARY WATER USE RESTRICTIONS:

Stage 1 will begin: **Every April 1st, the utility will mail a public announcement to its customers and the TCEQ.**

SECTION 4.0 -- DROUGHT CONTINGENCY PLAN (Continued)

Stage 1 will end: **Every September 30th, the utility will mail a public announcement to its customers and the TCEQ.**

Utility Measures: This announcement will be designed to increase customer awareness of water conservation and encourage the most efficient use of water. A copy of the current public announcement on water conservation awareness shall be kept on file available for inspection by the TCEQ.

Voluntary Water Use Restrictions: Water customers are requested to voluntarily limit the use of water for non-essential purposes and to practice water conservation.

STAGE II - MILD WATER USE RESTRICTIONS:

Stage 2 will begin:

Supply-Based Triggers (check at least one and fill in the appropriate value)

- Well ^{#1} level reaches 520 ft. mean sea level (m.s.l.)
- Overnight recovery rate reaches _____ ft.
- Reservoir elevation reaches _____ ft. (m.s.l.)
- Stream flow reaches _____ cfs at USGS gage # _____
- Wholesale supplier's drought Stage 2 _____
- Other Well #2 level reaches 600 ft.

Demand- or Capacity-Based Triggers (check at least one and fill in the appropriate value)

- Drinking water treatment as % of capacity _____ %
- Total daily demand as % of pumping capacity _____ %
- Total daily demand as % of storage capacity _____ %
- Pump hour per day _____ hrs.
- Production or distribution limitations.
- Other _____

Upon initiation and termination of Stage 2, the utility will mail a public announcement to its customers and the TCEQ.

SECTION 4.0 -- DROUGHT CONTINGENCY PLAN (Continued)

Requirements for termination Stage 2 of the Plan may end when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination of Stage 2, Stage 1 becomes operative.

Utility Measures: Visually inspect lines and repair leaks on a daily basis.

Describe additional measures, if any, to be implemented directly by the utility to manage limited water supplies and/or reduce water demand. Examples include: reduced or discontinued flushing of water mains, activation and use of an alternative supply source(s); use of reclaimed water for non-potable purposes.

The second water source for utility is (check one):

- Other well
- Inter-connection with other system
- Purchased water
- Other _____

Voluntary Water Use Restrictions:

1. Restricted Hours: Outside watering is allowed daily, but only during periods specifically described in the customer notice; between 10:00 PM and 5:00 AM for example; **OR**
2. Restricted Days/Hours: Water customers are requested to voluntarily limit the irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems. Customers are requested to limit outdoor water use to **Mondays for water customers with a street address beginning with the numbers 1, 2, or 3, Wednesdays for water customers with a street address beginning with the numbers 4, 5, or 6, and Fridays for water customers with a street address beginning with the numbers 7, 8, or 9.** Irrigation of landscaped areas is further limited to the hours of 12:00 midnight until 10:00 a.m. and between 8:00 p.m. and 12:00 midnight on designated watering days. However, irrigation of landscaped areas is permitted at anytime if it is by means of a hand-held hose, a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system.

SECTION 4.0 -- DROUGHT CONTINGENCY PLAN (Continued)

STAGE III - MODERATE WATER USE RESTRICTIONS:

Stage 3 will begin:

Supply-Based Triggers (check at least one and fill in the appropriate value)

- Well ^{#1} level reaches 620 ft. (m.s.l.)
- Overnight recovery rate reaches _____ ft.
- Reservoir elevation reaches _____ ft. (m.s.l.)
- Stream flow reaches _____ cfs at USGS gage # _____
- Wholesale supplier's drought Stage 2 _____
- Other Well #2 level reaches 700 ft.

Demand- or Capacity-Based Triggers (check at least one and fill in the appropriate value)

- Drinking water treatment as % of capacity _____ %
- Total daily demand as % of pumping capacity _____ %
- Total daily demand as % of storage capacity _____ %
- Pump hour per day _____ hrs.
- Production or distribution limitations.
- Other _____

Upon initiation and termination of Stage 3, the utility will mail a public announcement to its customers and the TCEQ.

Requirements for termination: Stage 3 of the Plan may end when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination of Stage 3, Stage 2 becomes operative.

Utility Measures: Visually inspect lines and repair leaks on a daily basis. Flushing is prohibited except for dead end mains.

Describe additional measures, if any, to be implemented directly by the utility to manage limited water supplies and/or reduce water demand. Examples include: activation and use of an alternative supply source(s); use of reclaimed water for non-potable purposes.

SECTION 4.0 -- DROUGHT CONTINGENCY PLAN (Continued)

Mandatory Water Use Restrictions: The following water use restrictions shall apply to all customers.

1. Irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems **shall be limited to Mondays for water customers with a street address beginning with the numbers 1, 2, or 3, Wednesdays for water customers with a street address beginning with the numbers 4, 5, or 6, and Fridays for water customers with a street address beginning with the numbers 7, 8, or 9.** Irrigation of landscaped areas is further limited to the hours of 12:00 midnight until 10:00 a.m. and between 8:00 p.m. and 12:00 midnight on designated watering days. However, irrigation of landscaped areas is permitted at anytime if it is by means of a hand-held hose, a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system.
2. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight. Such washing, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rinses. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, such washing may be exempted from these regulations if the health, safety, and welfare of the public is contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.
3. Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or "jacuzzi" type pools is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8 p.m. and 12:00 midnight.
4. Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
5. Use of water from hydrants or flush valves shall be limited to maintaining public health, safety, and welfare.
6. Use of water for the irrigation of golf courses, parks, and green belt areas is prohibited except by hand held hose and only on designated watering days between the hours 12:00 midnight and 10:00 a.m. and between 8 p.m. and 12:00 midnight.

SECTION 4.0 -- DROUGHT CONTINGENCY PLAN (Continued)

7. The following uses of water are defined as non-essential and are prohibited:
 - a. wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
 - b. use of water to wash down buildings or structures for purposes other than immediate fire protection;
 - c. use of water for dust control;
 - d. flushing gutters or permitting water to run or accumulate in any gutter or street; and
8. failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s).

STAGE IV - CRITICAL WATER USE RESTRICTIONS:

Stage 4 will begin:

Supply-Based Triggers (check at least one and fill in the appropriate value)

- Well ^{#1} level reaches 720 ft. (m.s.l.)
- Overnight recovery rate reaches _____ ft.
- Reservoir elevation reaches _____ ft. (m.s.l.)
- Stream flow reaches _____ cfs at USGS gage # _____
- Wholesale supplier's drought Stage 2 _____
- Supply contamination.
- Other Well #2 level reaches 800 ft.

Demand- or Capacity-Based Triggers (check at least one and fill in the appropriate value)

- Drinking water treatment as % of capacity _____ %
- Total daily demand as % of pumping capacity _____ %
- Total daily demand as % of storage capacity _____ %
- Pump hour per day _____ hrs.
- Production or distribution limitations.
- System outage.
- Other _____

SECTION 4.0 -- DROUGHT CONTINGENCY PLAN (Continued)

Upon initiation and termination of Stage 4, the utility will mail a public announcement to its customers and the TCEQ.

Requirements for termination: Stage 4 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination of Stage 4, Stage 3 becomes operative.

Operational Measures: The utility shall visually inspect lines and repair leaks on a daily basis. Flushing is prohibited except for dead end mains and only between the hours of 9:00 p.m. and 3:00 a.m.. Emergency interconnects or alternative supply arrangements shall be initiated. All meters shall be read as often as necessary to insure compliance with this program for the benefit of all the customers. *Describe additional measures, if any, to be implemented directly to manage limited water supplies and/or reduce water demand.*

Mandatory Water Use Restrictions: All outdoor use of water is prohibited.

- Irrigation of landscaped areas is absolutely prohibited.
- Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is absolutely prohibited.