

**NOTICE OF PROPOSED RATE CHANGE**

**HILCO UNITED SERVICES DBA HILCO H20**

Company Name

12998

CCN Number

has submitted a rate change application to the Texas Commission on Environmental Quality (Commission). The proposed rates listed on the next page will apply to service received after the effective date provided below. If the Commission receives protests to the proposed increase from 10 percent of the ratepayers or from any affected municipality before the 91st day after the proposed effective date, a public hearing will be scheduled to determine if the proposed rates are reasonable. Protests should be mailed to:

**Texas Commission on Environmental Quality  
Water Supply Division  
Utilities & Districts Section, MC 153  
P. O. Box 13087  
Austin, Texas 78711-3087**

Unless protests are received from 10 percent of the ratepayers or the Commission staff requests a hearing, no hearing will be held and rates will be effective as proposed. Please read the following information carefully:

Murray Hill, Lakeshore, Oak Hill, Steele Creek, Rocky Creek, Cedar Creek, Live Oak, M&H - Glenn Estates, Lakeview, Arrowhead - Woodland Hills

**Subdivisions or Systems Affected by Rate Change**

|                          |                                |                             |       |              |
|--------------------------|--------------------------------|-----------------------------|-------|--------------|
| 115 E Main               | Itasca                         | TX                          | 76055 | 254-687-2331 |
| Company Address          | City                           | State                       | Zip   | Telephone    |
| Annual Revenue Increase  | \$ 80,163.11                   | Date Customer Notice Mailed |       |              |
| February 26, 2009        | 23 <sup>rd</sup> of each month |                             |       |              |
| Date of Last Rate Change | Date Meters Typically Read     |                             |       |              |

**EFFECTIVE DATE OF PROPOSED INCREASE: April 2, 2010**  
**BILLING COMPARISON**

|        |          |                 |              |          |                 |              |
|--------|----------|-----------------|--------------|----------|-----------------|--------------|
| Water: | Existing | 10,000 gallons: | \$ 47.00 /mo | Existing | 30,000 gallons: | \$ 94.40 /mo |
|        | Proposed | 10,000 gallons: | \$ 48.75 /mo | Proposed | 30,000 gallons: | \$ 97.25 /mo |
| Sewer: | Existing | 10,000 gallons: | \$ /mo       | Proposed | 30,000 gallons: | \$ /mo       |

The proposed rates will apply to all service rendered after the effective date and will be reflected on the bill you receive approximately 30 to 45 days after the effective date. In the event that the application is set for hearing, the specific rates requested by the utility may be decreased or increased by order of the Commission. If the Commission orders a lower rate to be set, the utility may be ordered to refund or credit against future bills all sums collected during the pendency of the rate proceeding in excess of the rate finally ordered plus interest. You may inspect a copy of the rate change application at your utility's office or at the Commission's office at Park 35 - Building F, 12015 Park 35 Circle, Suite 3101, Austin, Texas, west side of IH-35, south of Yager Lane. Additional information about the application can be obtained by contacting the Utilities and Districts Section at 512/239-4691. Information about how you can participate in the rate setting process can be obtained by contacting the Public Interest Counsel at 512/239-6363.

Si desea informacion en Espanol, puede llamar al 512-239-0200.

| <u>CURRENT RATES</u>   |           | <u>PROPOSED RATES</u>  |            |
|--|-----------|--|------------|
| Monthly base rate including 2000 gallons   |           | Monthly base rate including 2000 gallons   |            |
| Meter Size:  |           | Meter Size:  |            |
| Residential  |           | Residential  |            |
| 5/8"   | \$ 29.00  | 5/8"   | \$ 30.75 ✓ |
| 1"   | \$ 65.00  | 1"   | \$ 70.00 ✓ |
| 1 1/2"   | \$ 120.00 | 1 1/2"   | \$ 125.00  |
| 2"   | \$ 190.00 | 2"   | \$ 195.00  |
| 3"   | \$ 350.00 | 3"   | \$ 355.00  |
| Other:<br>_____ 4" @   | \$430.50  | Other: 4" @  | \$ 435.00  |
| Gallonage Charge:  |           | Gallonage Charge:  |            |
| \$ 2.25 for each additional 1000 gallons over the minimum up to 10,000 gallons. \$2.30 for 10,001 to 20,000 gallons, and \$2.44 for over 20,000 gallons. |           | \$ 2.25 for each additional 1000 gallons over the minimum up to 10,000 gallons. \$2.35 for 10,001 to 20,000 gallons, and \$2.50 for over 20,000 gallons. |            |
| <u>Miscellaneous Fees</u>  |           | <u>Miscellaneous Fees</u>  |            |
| Tap fee  | \$ 400.00 | Tap fee  | \$ 400.00  |
| Reconnect fee:<br>Non-payment<br>(Maximum - \$25.00)   | \$ 25.00  | Reconnect fee"<br>Non-payment<br>(Maximum - \$25.00)   | \$ 25.00   |
| Customer=s request   | \$ 25.00  | Customer=s request   | \$ 25.00   |
| Transfer fee   | N/A       | Transfer fee   | \$ N/A     |
| Late charge  | \$ 5.00   | Late charge (Indicate<br>either \$5.00 or 10%)   | \$ 5.00    |
| Returned check charge  | \$ 25.00  | Returned check charge  | \$ 25.00   |
| Deposit  | \$ 50.00  | Deposit<br>(Maximum \$50.00)   | \$ 50.00   |
| Meter test fee   | \$ 25.00  | Meter test fee   | \$ 25.00   |

Regulatory Assessment of 1% is added to base rate and gallonage charges

**SECOND NOTICE**