

NOTICE OF REQUIREMENT TO COMPLY WITH THE SUBDIVISION AND SERVICE EXTENSION POLICY OF CHATFIELD WATER SUPPLY CORPORATION

Pursuant to Chapter 13.2502 of the Texas Water Code, Chatfield Water Supply Corporation hereby gives notice that any person who subdivides land by dividing any lot, tract, or parcel of land, within the service area of Chatfield Water Supply Corporation, Certificate of Convenience and Necessity No. 11086, in Navarro County, into two or more lots or sites for the purpose of sale or development, whether immediate or future, including re-subdivision of land for which a plat has been filed and recorded or requests more than two water service connections on a single contiguous tract of land must comply with Section F. Developer, Subdivision and Non-Standard Service Requirements (the "Subdivision Policy") contained in Chatfield Water Supply Corporation's tariff.

Chatfield Water Supply Corporation is not required to extend retail water utility service to a service applicant in a subdivision where the developer of the subdivision has failed to comply with the Subdivision Policy.

Applicable elements of the Subdivision include:

Evaluation by Chatfield Water Supply Corporation of the impact a proposed subdivision service extension will make on Chatfield Water Supply Corporation's water supply service system and payment of the costs for this evaluation;

Payment of reasonable costs or fees by the developer for providing water supply service capacity;

Payment of fees for reserving water supply capacity;

Forfeiture of reserved water supply service capacity for failure to pay applicable fees;

Payment of costs of any improvements to Chatfield Water Supply Corporation's system that are necessary to provide the water service;

Construction according to design approved by Chatfield Water Supply Corporation and dedication by the developer of water facilities within the subdivision following inspection.

Chatfield Water Supply Corporation's tariff and a map showing Chatfield Water Supply Corporation's service area may be reviewed at Chatfield Water Supply Corporation's offices, at 106 Carr Street, Powell, TX 75153; the tariff/policy and service area map also are filed of record at the Public Utility Commission in Austin, Texas and may be reviewed by contacting the PUC, Central Records at 512-936-7180 for assistance.