DROUGHT CONTINGENCY PLAN

FOR

STONE HEDGE UTILITY COMPANY PO BOX 426 SPRING TX 77383-0426

CCN NO. 12624

Including the following water system:

Stone Hedge Estates - 1700102

Date: December 1, 2005

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Drought Contingency Plan

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Section I 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 (as defined in Section VII of this Drought Contingency Plan). The purpose of this Drought Contingency Plan (the Plan) is to encourage customer conservation in order to maintain supply, storage, and 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 the water system does not meet the Texas Commission on Environmental Quality (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 II Public Involvement

Opportunity for the public to provide input into the preparation of this amended Plan was provided by delivery of a customer notice on the customer's monthly bill. A copy of the notice is included in Appendix A.

Section III Public Education

Stone Hedge Utility Company 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 be provided to the customer by utility bill inserts and/or customer mailouts.

Section IV Coordination with Regional Water Planning Groups

The service area of **Stone Hedge Utility Company** is located within Regional Water Planning Group (RWPG) **H**, and **Stone Hedge Utility Company** has mailed a copy of this plan to the RWPG.

Section V Authorization

Stone Hedge Utility Company, after having caused its' tariff to be amended so as to include this Plan, shall be authorized to implement the applicable provisions of this Plan upon determination that such implementation is necessary to protect public health, safety, and welfare. Stone Hedge Utility Company shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this plan.

Section VI Application

The provisions of this Plan shall apply to all persons, customers, and property utilizing water provided by Stone Hedge Utility Company. The terms "person" and "customer" as used in the Plan include individuals, corporations, partnerships, associations, and all other legal entities.

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Section VII Definitions

Aesthetic water use - water use for ornamental or decorative purposes such as fountains, reflecting pools, and water gardens.

Commercial and institutional water use - water use which is integral to the operations of commercial and non-profit establishments and governmental entities such as retail establishments, hotels and motels, restaurants, and office buildings.

Conservation - those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Customer - any person, company, or organization using water supplied by Stone Hedge Utility Company.

Domestic water use - water use for personal needs or for household or sanitary purposes such as drinking, bathing, heating, cooking, sanitation, or for cleaning a residence, business, industry, or institution.

Even number address - street addresses, box numbers, or rural postal route numbers ending in 0, 2, 4, 6, or 8 and locations without addresses.

Industrial water use - the use of water in processes designed to convert materials of lower value into forms having greater usability and value.

Landscape irrigation use - water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, golf courses, parks, rights-of-ways, green belt areas, and medians.

Non-essential water use - water uses that are not essential, nor required for the protection of public health, safety and welfare, including:

- (a) irrigation of landscape areas, including parks, athletic fields, and golf courses, except as otherwise provided for under this Plan;
- (b) use of water to wash any motor vehicle, motorbike, boat, trailer, airplane, or other vehicle;
- (c) use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- (d) use of water to wash down buildings or structures for purposes other than immediate fire protection;
- (c) flushing gutters or permitting water to run or accumulate in any gutter or street;
- (f) use of water to fill, refill, or add to any indoor or outdoor swimming pools or Jacuzzi-type pools;
- (g) use of water in a fountain or pond for aesthetic or scenic purposes except where necessary to support aquatic life;
- (h) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s); and
- (i) use of water from hydrants for construction purposes or any other purposes other than fire fighting.

Odd numbered address - street addresses, box numbers, or rural postal route numbers ending in 1, 3, 5, 7, or 9.

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Section VIII Criteria for Initiation and Termination of Drought Response Stages

Stone Hedge Utility Company shall monitor water supply and/or demand conditions on a regular basis and shall determine when conditions warrant initiation or termination of each stage of the Plan, that is, when the specified "triggers" are reached. The triggering criteria described below are based on known system capacity limits.

Stage I Triggers – Customer Awareness

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Requirement for initiation: Annually, beginning on April 1st.

Requirement for termination: Annually, ending on September 30th.

Stage II Triggers - Voluntary Water Conservation

Requirements for initiation:

Customers shall be requested to voluntarily conserve water and adhere to the prescribed restrictions on certain non-essential water uses for Stage II of this Plan (as provided for in Section IX of this Plan) when any of the following conditions occur:

- (1) Supply-Based Trigger(s):
 - (a) When the specific capacity of the well(s) is equal to or less than 90% of the well's original specific capacity.
 - (b) Notification by any wholesale water supplier and/or neighboring utility with whom Stone Hedge Utility Company has an agreement to purchase water that they are implementing Stage II rationing.
- (2) Demand/Capacity-Based Trigger(s):
 - (a) When total daily water demand equals or exceeds 85% of the operating capacity of the water facilities for three consecutive days, or exceeds 90% of the operating capacity of the water facilities on any single day.
 - (b) Inability to maintain a minimum operating pressure of 40 psi in the far reaches of the water system for three consecutive days, or inability to maintain a minimum operating pressure of 35 psi in the far reaches of the water system on any single day.

Requirements for termination:

Stage II of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of seven (7) consecutive days. Upon termination of Stage II, Stage I becomes operative.

Stage III Triggers - Mandatory Water Use Restrictions

Requirements for initiation:

Customers shall be required to conserve water and adhere to the prescribed restrictions on certain non-essential water uses for Stage III of this Plan (as provided for in Section IX of this Plan) when any of the following conditions occur: TEXAS COMPLETE ANOMENENT CONTENTS OF THE ANOMENENT CONTENT OF THE ANOMENENT CONTENTS OF THE ANOMENENT CONTENT OF THE ANOMENENT O

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(1) Supply-Based Trigger(s):

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- (a) When the specific capacity of the well(s) is equal to or less than 85% of the well's original specific capacity.
- (b) Notification by any wholesale water supplier and/or neighboring utility with whom Stone Hedge Utility Company has an agreement to purchase water that they are implementing Stage III rationing.

(2) Demand/Capacity-Based Trigger(s):

- (a) When total daily water demand equals or exceeds 90% of the operating capacity of the water facilities for three consecutive days, or exceeds 95% of the operating capacity of the water facilities on any single day.
- (b) Inability to maintain a minimum operating pressure of 35 psi in the far reaches of the water system for three consecutive days, or inability to maintain a minimum operating pressure of 30 psi in the far reaches of the water system on any single day.

Requirements for termination:

Stage III of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of seven (7) consecutive days. Upon termination of Stage III, Stage II becomes operative.

Stage IV Triggers - Critical Water Use Restrictions

Requirements for initiation:

Customers shall be **required** to conserve water and adhere to the prescribed restrictions on certain non-essential water uses for Stage IV of this Plan (as provided for in Section IX of this Plan) when any of the following conditions occur:

(1) Supply-Based Trigger(s):

- (a) When the specific capacity of the well(s) is equal to or less than 80% of the well's original specific capacity.
- (b) Notification by any wholesale water supplier and/or neighboring utility with whom Stone Hedge Utility Company has an agreement to purchase water that they are implementing Stage IV rationing.

- (2) Demand/Capacity-Based Trigger(s):
 - (a) When total daily water demand equals or exceeds 95% of the operating capacity of the water facilities for three consecutive days, or exceeds 100% of the operating capacity of the water facilities on any single day.
 - (b) Inability to maintain a minimum operating pressure of 30 psi in the far reaches of the water system for three consecutive days, or inability to maintain a minimum operating pressure of 20 psi in the far reaches of the water system on any single day.

Requirements for termination:

Stage IV of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of seven (7) consecutive days. Upon termination of Stage IV, Stage III becomes operative.

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Section IX **Drought 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 & Stage IV to follow if necessary.

Stage I Response – Customer Awareness

Target:

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Increase customer awareness of water conservation and encourage the most efficient use of water.

Utility Measures:

- (1) Upon initiation and termination of Stage I, the utility will mail a public announcement to its customers.
- (2) No notice to TCEQ required.
- (3) Keep a copy of the current public announcement on water conservation awareness on file 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 Response – Voluntary Water Conservation

Target:

Achieve a voluntary 15% reduction in daily water demand.

Utility Measures:

- (1) Upon initiation and termination of Stage II, the utility will mail a public announcement to its customers.
- (2) No notice to TCEQ required.
- (3) Visually inspect lines and repair leaks on a regular basis.
- (4) Perform a monthly review of customer usage records and follow-up on any that have unusually high usage.

Voluntary Water Use Restrictions:

- (1) Restricted Days 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:
 - (a.) Mondays for customers with a street address ending with the numbers 1, 2, or 3;
 - (b.) Wednesdays for customers with a street address ending with the numbers 4, 5, or 6;
 - (c.) Fridays for customers with a street address ending with the numbers 7, 8, 9, or 0.
- (2) Restricted Hours Irrigation of landscaped areas is further limited to the hours of 6:00 a.m. until 10:00 a.m. and 6:00 p.m. until 10:00 p.m. 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.

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(3) *Additional Restrictions* - Water is not to be used in a wasteful manner (i.e. allowing water to run or accumulate in any gutter, ditch, or street, or failing to repair a controllable leak within a reasonable time period.)

Stage III Response – Mandatory Water Use Restrictions

Target:

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Achieve a 20% reduction in daily water demand.

Utility Measures:

- (1) Upon initiation and termination of Stage III, the utility will mail a public announcement to its customers.
- (2) Notice to TCEQ required.
- (3) Visually inspect lines and repair leaks on a regular basis.
- (4) Perform a monthly review of customer usage records and follow-up on any that have unusually high usage.
- (5) Flushing is prohibited except for dead end mains.

Mandatory Water Use Restrictions:

- (1) *Restricted Days* Water customers are required to limit the irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems. Customers are required to limit outdoor water use to:
 - (a.) Mondays for customers with a street address ending with the numbers 1, 2, or 3;
 - (b.) Wednesdays for customers with a street address ending with the numbers 4, 5, or 6;
 - (c.) Fridays for customers with a street address ending with the numbers 7, 8, 9, or 0.
- (2) **Restricted Hours** Irrigation of landscaped areas is further limited to the hours of 6:00 a.m. until 10:00 a.m. and 6:00 p.m. until 10:00 p.m. 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.
- (3) Additional Restrictions:
 - (a) 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 6:00 a.m. and 10:00 a.m. and between the hours of 6:00 p.m. and 10:00 p.m. 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.
 - (b) 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 6:00 a.m. and 10:00 a.m. and between the hours of 6:00 p.m. and 10:00 p.m.
 - (c) 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.
 - (d) Use of water from hydrants or flush valves shall be limited to maintaining public health, safety, and welfare.

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

Stage IV Response - Critical Water Use Restrictions

Target:

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Achieve a 25% reduction in daily water demand.

Utility Measures:

- (1) Upon initiation and termination of Stage III, the utility will mail a public announcement to its customers.
- (2) Notice to TCEQ required.
- (3) Visually inspect lines and repair leaks on a daily basis.
- (4) Customer meters shall be read as often as necessary to insure compliance with Stage IV restrictions.
- (5) Flushing is prohibited except for dead end mains and only between the hours of 8:00 p.m. and 12:00 midnight.
- (6) Emergency interconnections and/or alternative supply arrangements shall be initiated.

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

- (1) Irrigation of landscaped areas is absolutely prohibited.
- (2) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is absolutely prohibited.
- (3) Each customer's usage is to be limited to an average of the customers' winter months' average to be uniformly applied on a system wide basis, with each customer being notified of this average amount.

Section X 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 circumstance(s) that triggered the restrictions,
- (3) the stage of response and explanation of the restrictions to be implemented, and,
- (4) an explanation of the consequences for violations and the constant of the consequences of the constant of

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The utility must notify the TCEQ by telephone at (512) 239-6020, or electronic mail at watermon@tceq.state.tx.us prior to implementing Stage III and <u>must notify in writing the Public</u> Drinking Water Section at MC – 155, P.O. Box 13087, Austin, Texas 78711-3087 within (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 at the initiation and termination of mandatory water use restrictions (i.e. Stages III and IV).

Section XI Violations

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- (1) First violation The customer will be notified by written notice of their specific violation.
- (2) 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 XII Exemptions or Variances

The utility may grant any customer an exemption or variance from the drought contingency plan for good cause **upon written request.** Persons requesting an exemption from the provisions of this Plan shall file a petition for variance with Stone Hedge Utility Company within 5 days after the Plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by Stone Hedge Utility Company and must include the following information:

- (1) Name and address of the petitioner(s);
- (2) Purpose of water use;
- (3) Specific provision(s) of the Plan from which the petitioner is requesting relief;
- (4) Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Plan;
- (5) Description of the relief requested;
- (6) Period of time for which the variance is sought;
- (7) Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date;
- (8) Other pertinent information.

The utility will treat all customers equally concerning exemptions, and must take into consideration whether failure to grant a temporary variance will result in an emergency condition that will adversely affect the health, sanitation, safety or welfare of the public or the person requesting such variance. A customer who is refused an exemption or variance may appeal such action of the utility in writing to the Texas Commission on Environmental Quality.

<u>No exemption or variance shall be retroactive or otherwise justify any violation of this Plan</u> occurring prior to the issuance of the variance.