

SECTION C. **DEFINITIONS**

Active Service -- Status of any Member receiving authorized service under the provisions of this Tariff.

Applicant -- Person, partnership, cooperative corporation, corporation, agency, public or private organization of any type applying for service with the Little Hope - Moore Water Supply Corporation.

Board of Directors -- The governing body elected by the Members of the Little Hope - Moore Water Supply Corporation. [Tex. Rev. Civ. Stat. Ann. Art. 1396-1.02 (7)]

Bylaws -- The rules pertaining to the governing of the Little Hope - Moore Water Supply Corporation adopted by the Corporation Members. [Tex. Rev. Civ. Stat. Ann. Art. 1396-1.02 (5)]

Certificate of Convenience and Necessity (CCN) -- The authorization granted under Chapter 13 Subchapter G of the Texas Water Code for the Little Hope - Moore Water Supply Corporation to provide water and/or sewer utility service within a defined territory. Little Hope - Moore Water Supply Corporation has been issued Certificate Number 11263. Territory defined in the CCN shall be the Certificated Service Area. (Ref. Section D of this tariff. Certificated Service Area Map)

Collection Account -- A Member's account that has been placed under collection due to delinquency of payment and the disconnect fee has been applied.

Corporation -- The Little Hope - Moore Water Supply Corporation. (Ref. Section B. 1 of this Tariff)

Delinquent -- A Members account determined to not be paid within the ten (10) days notice after the final notice (E. 14).

Disconnection of Service -- The discontinuance of water service by the Corporation to a Member/Customer.

Discontinuance -- The discontinuance of water service by the Corporation to a Member/Customer upon written consent of the Member to surrender their Membership to the Corporation.

Easement -- A private perpetual dedicated right-of-way for the installation of water pipelines and necessary facilities which allows access to property for future operation, maintenance, facility replacement, facility upgrades, and/or installation of additional pipelines (if applicable). This may also include restrictions on the adjacent area to limit the installation of other facilities that would restrict the use of any area of the easement. (Ref. Application Packet: Easement Form FmHA Form 442-9)

Equity Buy-In Fee -- A fee assessed of new Applicants for service for the purpose of acquiring capital to defray the costs of expanding the system facilities in order to meet the customer growth needs of the Corporation. This fee is charged for each meter equivalent or service unit for which service has been requested. (Ref. Section G. 6. and Miscellaneous Form: Calculation of Equity Buy-in Fee)

Final Plat -- A complete plan for the subdivision of a tract of land. The Little Hope - Moore Water Supply Corporation shall determine if a plat submitted for the purpose of this Tariff shall qualify as a

final plat. (Ref. 30 TAC 291.85)

Hazardous Condition -- A condition which jeopardizes the health and welfare of the Members/Consumers of the Corporation as determined by the Corporation or regulatory authority.

Indication of Interest Fee -- A fee paid by a potential Member of the Corporation for the purpose of determining the feasibility of a construction and/or expansion project. The Indication of Interest Fee may be converted to the Member Fee upon determination that service to the Applicant is feasible and available. This also applies to applicants applying for, or receiving, Temporary Service. (Ref. Section E. 5. b.2; E. 7 b 1, and Application Packet – Service Application and Agreement Form - USDA Form RUS-TX 1942-11 (Rev. 8/96))

Installation - - Service to a new Applicant upon approval where no service previously existed. Installation includes: new tap, customer shut-off valve, service inspection, easement, membership, equity buy-in, and there applicable fees.

Liquidated Membership -- A Membership which has been canceled due to delinquent charges exceeding the Membership Fee or for other reasons as specified in this Tariff, and has been applied to the balance on the account.

Locked Account - - A Member's account locked under special circumstance agreed by the Board.

Member -- Any person, partnership, cooperative corporation, corporation, agency, or public or private organization that has qualified for service and received a Membership in accordance with the Corporation's Tariff.

Membership – A membership in the Corporation always belongs to a certain property that can be defined by an address or legal description. The membership can be transferred to a new owner of the certain property but may not be transferred from one property to another.

Membership Certificate -- A non-interest bearing stock certificate purchased from the Corporation evidencing a Member's interest in the Corporation. (Ref. Section E.5.B and ART. 1396-2.08 D)

Membership Fee -- A fee qualified as such under the terms of the tariff and the bylaws of the Corporation assigned to the real estate designated to receive service. The membership fee shall be refundable upon termination of service, balance paid, and surrendering the Membership Certificate. (30 TAC 291.3 Definitions, Texas Water Code 13.043(g), Article 1434a, Tex. Rev. Civ. Stat. Sec. 9. A. (c))

Meter Pulled - - An account that has been finalized and the membership liquidated towards the final bill. The customer will receive a refund or a final bill.

Proof of Ownership – Article 1434a, Tex. Rev. Civ. Stat. Sec. 9A(c) gives authority to the Corporation to require proof of ownership of the real estate designated to receive service as a condition of membership and service. For the purpose of this tariff, applicants for service and membership shall provide proof of ownership by a copy of their deed of trust, warranty deed, or other recordable documentation of fee simple title to real estate to be served.

Rural Utilities Service (RUS) -- An Agency of the United States Department of Agriculture Rural

Development Mission Area, previously called Farmers Home Administration Mission Area (FmHA), that provides loan and grant funds for development of rural water and sewer systems serving communities with a population of less than ten thousand (10,000) people, includes successor agencies.

Renter -- A consumer who rents or leases property from a Member or who may otherwise be termed a tenant. (Ref. Section E.8)

Re-Service -- Providing service to an Applicant at a location for which service previously existed. Costs of such re-servicing shall be based on justifiable expenses. (Ref. Section E. 3. b., E. 4. b., G. 8, Miscellaneous Form: Re-Service Illustration)

Service Availability Charge -- (Also known as "minimum monthly charge", "minimum", or the "base rate") The monthly charge assessed each Member/Customer for the opportunity of receiving service. The Service Availability Charge is a fixed rate based upon the meter, service size, or equivalent dwelling unit(s). (Ref. Section G. 9. a)

Service Application and Agreement -- A written agreement between the Member/Applicant and the Corporation defining the specific type of service requirements requested on the current service application and agreement form, and the responsibilities of each party required before service is furnished. (Ref. Application Packet: Service Application and Agreement - RUS Form 1942-11 or Non-Standard Service Contract)

Service Unit -- The base unit of service used in facilities design and rate making. For the purpose of this Tariff, a service unit is a 5/8" X 3/4" water meter. Sewer facilities are designed and rates are based on the basis of population served or demand. (Ref. Section G. 9. a., and Miscellaneous Form: AWWA Specifications)

Tariff -- The operating policies, service rules, service extension policy, service rates, rationing policies, sample application packet, and miscellaneous transaction forms adopted by the Board of Directors. A copy of this, Board approved, Tariff is on file at the Corporation office and as required since September 1, 1989 at the State office of the TCEQ.

Temporary Service -- The classification assigned an applicant that is in the process of construction. This could also apply to service for uses other than permanent (agricultural, road construction, drilling, livestock, etc.). The length of time associated with this classification will be set by the Board. This classification will change to permanent service after requirements in Section E. 1, E. 2, E. 3, and E. 5 of this Tariff are met. Applicant must have paid an Indication of Interest Fee.

Texas Commission on Environmental Quality (TCEQ) -- State regulatory agency having jurisdiction of water and sewer service utilities and appellate jurisdiction over the rates and fees charged by Non-Profit Water and Sewer Service Corporations. (30 TAC - Texas Administrative Code)

Transferee -- An Applicant receiving a Little Hope - Moore WSC Membership by legal means from a person or entity desiring to forfeit and transfer current rights of Membership to another person or entity. (Ref. Section E. 7 c, G 18, Miscellaneous Form: Member Transfer Authorization)

Transferor -- A Member who transfers Membership by legal means to another person or entity desiring to qualify for service at a property for which the Membership is currently issued to the Corporation.

(ART. 1434a, Vernon's Tex. Rev. Civ. Stat. Sec. 9A. (e))

Inactive Service—Status of any Member not currently receiving authorized service under the provisions of this Tariff.