

COPY

Four Pines Water Supply Corp.
DROUGHT CONTINGENCY
AND
EMERGENCY WATER DEMAND MANAGEMENT PLAN

1. INTRODUCTION

The goal of this plan is to cause a reduction in water use in response to drought or emergency conditions so that the water availability can be preserved. Since emergency conditions can occur rapidly, responses must also be enacted quickly. This plan has been prepared in advance considering conditions that will initiate and terminate the rationing program.

A Drought/Emergency Management Committee consisting of two Board Members and the Systems Manager will monitor usage patterns and public education efforts and will make recommendations to the Board on future conservation efforts, demand management procedures or any changes to this plan. The Committee will develop public awareness notices, bill stuffers and other methods that will begin and continue as a constant type of reminder that water should be conserved at all times, not just during a drought or emergency. This Committee will also review and evaluate any need amendments or major changes due to changes in the WSC service area population, distribution system or supply. This review and evaluation will be done on a regular basis of five years unless conditions necessitate more frequent amendments.

The plan will be implemented according to the three stages of rationing as imposed by the Board. Section D describes the conditions that will trigger these stages.

2. PUBLIC INVOLVEMENT

Opportunity for the public to provide input onto the preparation of the Plan was provided by the Board by scheduling and providing public notice of a public meeting to accept input on the Plan. Notice of the meeting was provided to all customers. In the adoption of this plan, the Board considered all comments from customers.

3. COORDINATION WITH REGIONAL WATER PLANNING GROUP

Being located within the East Texas Regional Water Planning Group, a copy of this Plan has been provided to that Regional Water Planning Group.

4. TRIGGER CONDITIONS

The Drought Emergency Management Committee is responsible for monitoring water supply and demand conditions on a monthly basis (or more frequently if conditions warrant) and shall determine when conditions warrant initiation or termination of each stage of the plan, that is when the specified triggers are reached. The Committee will

monitor monthly operating reports, water supply or storage tank levels and/or rainfall as needed to determine when trigger conditions are reached. The triggering conditions described below take into consideration the vulnerability of the water source under drought of record condition, the production, treatment and distribution capacities of the system, and member usage based upon historical patterns.

- a. **Stage I – Mild Conditions:** Stage I water allocation measures may be implemented when one or more of the following conditions exist:
 1. Water consumption has reached 80 percent of daily maximum supply for three (3) consecutive days.
 2. Water supply is reduced to a level that is only 20 percent greater than the average consumption for the previous month.
 3. There is an extended period (at least eight (8) weeks) of low rainfall and daily use has risen 20 percent above the use for the same period during the previous year.

- b. **Stage II – Moderate Conditions:** Stage II water allocation measures may be implemented when one of the following conditions exist:
 1. Water consumption has reached 90 percent of the amount available for three consecutive days.
 2. The water level in any of the water storage tanks cannot be replenished for three (3) consecutive days. Example: The highest recorded water level drops 3 feet or more for 2 consecutive days.

- c. **Stage III – Severe Conditions:** Stage III water allocation measures may be implemented when one of the following five conditions exist:
 1. Failure of a major component of the system or an event which reduces the minimum residual pressure in the system below 20 psi for a period of 24 hours or longer.
 2. Water consumption of 95 percent or more of the maximum available for three (3) consecutive days.
 3. Water consumption of 100 percent of the maximum available and the water storage levels in the system drop during one 24-hour period.
 4. Natural or man-made contamination of the water supply source(s).
 5. The declaration of a state of disaster due to drought conditions in a county or counties served by the Corporation.
 6. Reduction of wholesale water supply due to drought conditions.
 7. Other unforeseen events which could cause imminent health or safety risks to the public.

5. STAGE LEVELS OF WATER ALOCATIONS

The stage levels of the water allocations are to be placed in effect by the triggers in Section D. The system shall institute monitoring and enforce penalties for violations of the Drought Plan for each of the Stages listed below. The water allocation measures are summarized below.

a. Stage I – Mild Conditions

1. Alternate day, time of day, or duration restrictions for outside water usage allowed. (System will notify Customers which restriction is in effect)
2. The system will reduce flushing operations.
3. Reduction of customers' water use will be encouraged through notices on bills or other method.
4. The goal achieved here is to reduce production by 20 percent.

b. Stage II – Moderate Conditions

1. All outside water use is prohibited (except for a livestock or other exemption or variance granted under this section).
2. Make public service announcements as conditions change via local media (TV, radio, newspapers, etc.)
3. The goal achieved here is to reduce production by 30 percent.

c. Stage III – Severe Conditions

1. All outside watering prohibited.
2. Water use will be restricted to a percentage of each member's prior month usage. This percentage may be adjusted as needed according to demand on the system. Notice of this amount will be sent to each customer.
3. Corporation shall continue enforcement and educational efforts.
4. The goal achieved here is to reduce production by 40 percent.

Note:

- * Refer to your water purchase for additional restriction/requirements that may be imposed by stipulation from the wholesale supplier.
- * There may be additional restriction imposed by Governmental Entities.
- * Meters will be read as often as necessary to insure compliance with this program for the benefit of all the customers.

5. INITIATION AND TERMINATION PROCEDURES

Once a trigger condition occurs, the Corporation, or its designated responsible representative, shall, based on recommendation from the Chairperson of Drought/Emergency Management Committee, decide if the appropriate stage of rationing shall be initiated. The initiation may be delayed if there is a reasonable possibility the water system performance will not be compromised by the condition. If water allocation is to be instituted, written notice to the customer shall be given.

Written notice of the proposed water allocation measure shall be mailed or delivered to each affected customer upon the initiation of each stage. In addition, upon adoption of Stage II or Stage II, a notice will be placed in a local newspaper or announced on a local radio or television station. The customer notice shall contain the following information:

- b. The date water allocation shall begin,
- c. The expected duration,
- d. The stage (level) of water allocations to be employed,

- e. Penalty for violations of the water allocation program, and
- f. Affected area or areas.

A sample Customer Notice of water allocation conditions is included in Miscellaneous Transaction Forms of this tariff.

If the water allocation program extends 30 days then the Chairperson of the Drought/Emergency Management Committee or manager shall present the reasons for the allocations at the next scheduled Board Meeting and shall request the concurrence of the Board to extend the allocation period.

When the trigger condition no longer exists then the responsible official may terminate the water allocations provided that such an action is based on sound judgment. Written notice of the end of allocations shall be given to customers. A water allocation period may not exceed 60 days without extension by action of the Board.

7. PENALTIES FOR VIOLATIONS

- a. **First Violation**—The customer/member will be notified by written notice of their specific violation and the penalty to be assessed for continued violations.
- b. **Second Violation**—The Corporation may install a flow restricting device in the customer's service line to limit the amount of water that will pass through the meter in a 24-hour period. The cost of this stall is the equal cost to do the work and shall be paid by the customer.
- c. **Subsequent Violations**—The Corporation will terminate service for up to 7 days and will charge for the service call to restore service.

These provisions apply to all customers of the Corporation.

8. EXEMPTIONS OR WAIVERS

The Drought/Emergency Management Committee may, in writing, grant temporary variance for existing water uses otherwise prohibited under this Plan if it is determined that failure to grant such variance would cause an emergency condition adversely affecting the health or sanitation for the public or the person requesting such variance and if one or more of the following conditions are met:

- a. Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.
- b. Alternative methods can be implemented which will achieve the same level of reduction in the water use.

Persons requesting an exemption from the provision of this ordinance shall file a petition for variance with the Drought/Emergency Management Committee within 5 days after the Plan or a particular drought response stage has been invoked or after a condition

justifying the variance first occurs. All petitions for variance shall be reviewed by the Committee and shall include the following:

- Name and address of the petitioner(s).
- Purpose of water use.
- Specific provision(s) of the Plan from which the petitioner is requesting relief.
- Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or others if a petition complies with the Plan.
- Description of the relief requested.
- Period of time for which the variance is sought.
- 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.
- Other pertinent information, as requested by the Committee.

Variance granted by the Committee shall be subject to the following conditions, unless specifically waived or modified by the Committee or Board of Directors:

- Variances granted shall include a timetable for compliance.
- Variances granted shall expire when the water allocation is no longer in effect, unless the petitioner has failed to meet specified requirements. No variance allowed for a condition requiring water allocation will continue beyond the termination of water allocation under Section F. Any variance for a subsequent water allocation must be petitioned again. The fact that a variance has been granted in response to a petition will have no relevance to the Committee's decision on any subsequent petition.

No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

9. IMPLEMENTATION

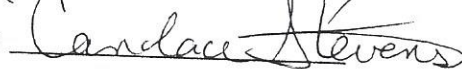
The Board establishes a Drought/Emergency Management Committee by Resolution, the chairperson of which will be the responsible representative to make Drought and Emergency Water Management actions. This Committee will review the procedures in this plan annually or more frequently. Modification may be required to accommodate system growth, changes in water use demand, available water supply an/or other circumstances.

This Plan was adopted and revised by the Board at a properly noticed meeting held on this 14 day of July, 2014.

President, Board of Directors:



Secretary, Board of Directors:



Attachment

Four Pines Water Supply Corp.

Drought Contingency Plan for Wholesale Water Suppliers

In preparation of this plan FPW will notify the wholesale customers by mail to tell the customer the date and time for the meeting . This letter will allow customers to have input on the water shortage plan.

In case if water shortage, FPW will also give written notice for the start and ending times of the water rationing. This also is in the retail plan.

In case of water shortage FPW will revert to our retail plan to take the water demand and measures to implement each stage of the shortage. FPW will also utilize the boil water notice from our retail drought plan. In a water shortage. The distribution shall be divided in accordance with Texas Water Code (11.039.)

This drought plan has procedures for granting variances.

This drought plan has a contract for every wholesale customer including extensions, that if there is a water shortage resulting in drought, the water distributed shall be divided in accordance with Texas Water Code (11.039.)

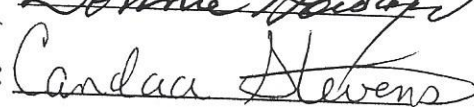
The drought plan includes procedures for enforcement of any mandatory water restrictions including specification of penalties for violations of such restrictions.

This plan was adopted and revised by the Board of directors at a properly noticed Meeting held on this 14 day of July 2014.

President, Board of Directors:



Secretary, Board of Directors:



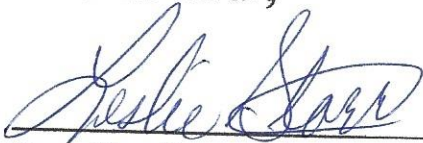
Four Pines Water Supply

March 14th, 2014

Wholesale Drought Contingency Plan

In October 2007 Four Pines Water Supply adopted a wholesale drought contingency plan and attached this plan to our retail drought contingency plan. We have only one wholesale customer with forty eight connections. Four Pines Water Supply has not changed this plan and will continue to use this plan until change is needed. If you have any questions please call Leslie at (903)723-5704

Thank You ,



Leslie Starr (operator)