

**NOTICE OF REQUIREMENT TO COMPLY WITH THE SUBDIVISION AND
SERVICE EXTENSION POLICY OF
SOUTHWEST MILAM WATER SUPPLY CORPORATION**

Pursuant to Chapter 13.2502 of the Texas Water Code, Southwest Milam 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 Southwest Milam Water Supply Corporation Certificate of Convenience and Necessity No. 10027 in Milam, Burleson, Lee, and Williamson Counties 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 a request for more than two water connections on a single contiguous tract of land must comply with Section F: Non- Standard Service Requirements (the "Subdivision Policy") contained in Southwest Milam Water Supply Corporation's tariff.

Southwest Milam Water Supply Corporation is not required to extend retail water 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 Southwest Milam Water Supply Corporation of the impact a proposed subdivision service extension will make on Southwest Milam Water Supply Corporation's system and payment of the costs for this evaluation.

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

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

Payment of costs on any improvements to Southwest Milam Water Supply Corporation's system that is necessary to provide the water service.

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

Southwest Milam Water Supply Corporation's tariff and a map showing Southwest Milam Water Supply Corporation's service area may be reviewed at Southwest Milam Water Supply Corporation's office at 706 East Cameron Avenue, Rockdale, Texas; the tariff/policy and service area map are recorded at the Public Utility Commission of Texas in Austin, Texas and may be reviewed by contacting the PUC, c/o Central Records, 1701 N Congress/PO Box 13326, Austin, Texas 78711.