NOTICE OF REQUIREMENT TO COMPLY WITH THE SUBDIVISION SERVICE EXTENSION POLICY OF WEST GREGG SPECIAL UTILITY DISTRICT

Pursuant to Texas Water Code, § 13.2502, West Gregg Special Utility District hereby gives notice that any person who subdivides land by dividing any lot, tract, or parcel of land, within the service area of West Gregg Special Utility District, Certificate of Convenience and Necessity No. 10409, in Gregg, Rusk, and Smith 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 the "Subdivision Policy" contained in West Gregg Special Utility District's Rate of Order. West Gregg Special Utility District 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 West Gregg Special Utility District of the impact a proposed subdivision service extension will make on West Gregg Special Utility District's water supply system and payment of the costs for this evaluation;

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

Payment of fees for reserving water supply service capacity;

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

Payment of costs of any improvements to West Gregg Special Utility District's system that are necessary to provide the water service;

Construction according to design approved by West Gregg Special Utility District and dedication by the developer of water facilities within the subdivision following inspection.

West Gregg Special Utility District's tariff and a map showing West Gregg Special Utility District's service area may be reviewed at West Gregg Special Utility District's office at 5782 State Hwy. 31 W, Kilgore, TX. 75662; the tariff/policy and service area map also are filed of record at the Public Utility Commission of Texas.