

GULF COAST WATER AUTHORITY  
AMENDED AND RESTATED RATE ORDER  
FY 2023

RECITALS

**WHEREAS**, the Gulf Coast Water Authority (the “Authority”) is a conservation and reclamation district under the provisions of Section 59, Article XVI of the Texas Constitution created and operating under the provisions of Chapter 712, Acts of the 59<sup>th</sup> Legislature, Regular Session, 1965 (originally codified as Article 8280-339, Vernon’s Texas Civil Statutes), as amended; and

**WHEREAS**, on June 23, 2022, the Board of Directors of the Authority (the “Board”) determined it was necessary and prudent to adjust its rates for the sale of water to the Authority’s customers and adopted the Gulf Coast Water Authority FY 2023 Rate Order (the “June Rate Order”), which included an exhibit setting forth the rates for the sale of water to the Authority’s customers (the “June Rate Order Exhibit”); and

**WHEREAS**, subsequent to adoption of the June Rate Order, an error was discovered in the June Rate Order Exhibit; and

**WHEREAS**, the Board has determined that it is necessary to adopt this Amended and Restated Rate Order for FY 2023 (this “Amended and Restated Rate Order”) incorporating a corrected exhibit setting forth the rates applicable to sale of water to the Authority’s customers and superseding and replacing in all respects the June Rate Order and the June Rate Order Exhibit incorporated therein;

**NOW THEREFORE**, be it ordered by the Board of Directors of the Gulf Coast Water Authority that:

ARTICLE I: FINDINGS; APPLICABILITY; EFFECTIVE DATE.

Section 1.01: Definitions. The definition of terms contained in the Recitals to this Amended and Restated Rate Order are hereby incorporated into and made part of this Amended and Restated Rate Order.

Section 1.02: Findings. Each of the recitals stated in this Amended and Restated Rate Order are hereby adopted as findings of fact of the Board. All statutory and contractual requirements and conditions have been met for the establishment of fees, rates, and charges under this Amended and Restated Rate Order.

Section 1.03: Applicability. This Amended and Restated Rate Order shall be applicable to all sales of water, except for irrigation water contracts used in conjunction with agricultural use.

Section 1.04: Effective Date; Prior Resolutions or Orders. This Amended and Restated Rate Order supersedes and replaces all prior orders, resolutions and other actions of the Board concerning the rates applicable to the sales of water described in Section 1.03, including the June Rate Order, and shall be effective immediately, provided, however, that the water rates provided for by this Amended and Restated Rate Order shall apply to all water delivered on or after September 1, 2022.

## ARTICLE II: DEFINITIONS; INTERPRETATIONS; REFERENCES

Section 2.01: Definitions. The following terms used in this Amended and Restated Rate Order shall have the following meanings:

“Authority” is defined in the recitals hereto and includes the legal successors or assigns of the Gulf Coast Water Authority.

“Raw Water” means and includes all untreated surface water diverted from Brazos River, Jones Creek, Oyster Creek, Chocolate Bayou, Mustang Bayou, and Halls Bayou, to which the Authority has rights, powers, and authority under or evidenced by Certificate of Adjudication Nos. 12-5168, 12-5322, and 12-5171, and Water Permit Nos. 5169 and 5357, as amended, issued by the Texas Commission on Environmental Quality or its predecessors.

“Treated Surface Water” means water that is treated and produced by the Thomas Mackey Surface Water Treatment Plant in Texas City, Texas.

“Water Contracts” means all contracts of the Authority to deliver water, and includes any amendments or supplements to any Raw Water or Treated Surface Water contract, and any substantially similar contract or contracts hereafter entered into by the Authority with any customer regarding the sale of water (other than irrigation water contracts).

“Water Rates” shall mean the rates set forth in Exhibit A attached hereto applicable to the sale of water to customers (other than irrigation water contracts).

Section 2.02: Interpretations. The article, section, and subsection headings of this Amended and Restated Rate Order are included herein for convenience of reference purposes only and shall not constitute a part of this Rate Order or affect its interpretation in any respect. Except where the context otherwise requires, words imparting the singular number shall include the plural and vice versa. References to an entity refer to the legal successors of such entity, and to the board of directors, officers, or other officials of such entity where appropriate.

Section 2.03: References. Any reference in this Amended and Restated Rate Order to a document shall mean such document and all exhibits thereto as amended or supplemented from time to time.

## ARTICLE III: WATER RATES

Section 3.01: Water Rates. Unless otherwise agreed in writing, the Water Rates shall be as stated in Exhibit A attached hereto.

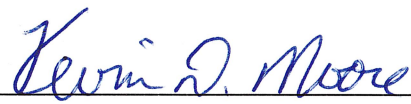
Section 3.02: Water Contracts. The various provisions of the Water Contracts shall govern all matters other than the prevailing rate for the sale of water, including but not limited to quality, quantity, diversion rates, diversion points, operations, repairs, maintenance, resales or exchanges, metering, billing, payment, credits against the Water Rates, collections, late fees, penalties and interest, shortages or water and force majeure, in respect of the sale of water thereunder. In the event that any provision of this Amended and Restated Rate Order is in conflict with any provision of a Water Contract then the terms and provisions of this Amended and Restated Rate Order shall control only with respect to the prevailing Water Rate, and the Water Contract shall control with respect to any other matter.

#### ARTICLE IV: FUTURE AMENDMENTS

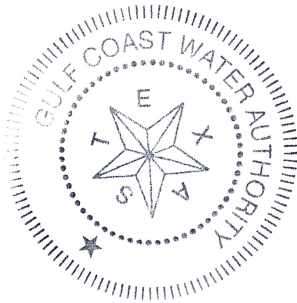
Section 4.01: Future Amendments. As determined necessary by the Authority, the Authority reserves the right to amend from time to time: (1) the Water Rates, charges and fees contained in this Amended and Restated Rate Order; and (2) any other terms and provisions of this Amended and Restated Rate Order.

PASSED AND APPROVED by the Board of Directors of the Gulf Coast Water Authority on August 4, 2022.

  
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Brad Matlock, PE, President

ATTEST:   
\_\_\_\_\_  
Kevin D. Moore, Assistant Secretary

(SEAL)





## EXHIBIT A 2023 WATER RATES

CUSTOMER BASE	STORED WATER	O&M	CAPITAL	BOND *	POWER	TOTAL COST OF SERVICE
<b>Canal System - A &amp; B and Chocolate Bayou</b>						
<i>A &amp; B System</i>	\$ 100.47	\$ 141.26	\$ 34.44	\$ -	\$ -	\$ 276.17
<i>Pecan Grove</i>	315.91	141.26	34.44	-	-	491.61
<i>Juliff System</i>	82.65	326.46	39.16	-	-	448.26
<b>Texas City Reservoir</b>						
<i>Ashland/Topaz/Industrial Customer Group</i>	\$ 276.18	\$ 25.14	\$ 0.95	\$ 30.16	\$ -	\$ 332.43
<i>Thomas Mackey Water Treatment Plant</i>	276.18	25.14	0.95	26.30	-	328.57
<b>Texas City Industrial</b>						
<i>Industrial Customer Group</i>	\$ 332.43	\$ 97.38	\$ 65.11	\$ 51.55	\$ 30.61	\$ 577.07
<i>Texas City</i>	332.43	97.38	65.11	-	-	494.92
<b>Thomas Mackey Water Treatment Plant</b>						
<i>TMWTP Customer Group</i>	\$ 328.57	\$ 945.66	\$ 146.19	\$ -	\$ -	\$ 1,420.43
<b>Option Water</b>						
<i>Missouri City/Sugar Land</i>	\$ 99.79	\$ -	\$ 53.20	\$ -	\$ -	\$ 152.99
<i>Pearland</i>	-	-	-	-	-	-

INTERRUPTIBLE WATER	RATE
<i>Silvercreek Community Association</i>	\$ 351.41
<i>Sugar Creek Country Club</i>	429.30
<i>Mainland Concrete</i>	276.18
<i>First Colony Community Services (Fluor)</i>	268.77
<i>First Colony Commons</i>	276.18
<i>Riverbend Country Club</i>	274.89
<i>Diamond K</i>	276.18
<i>Mag Creek Country Club</i>	274.89
<i>Texas City Golf Course</i>	276.18

AGRICULTURE WATER	(\$/AF)	(\$/MG)
<i>Agriculture Water</i>	\$ 63.01	\$ 193.39

### SPOT RAW WATER (TRUCKED)

\$1,000 minimum up to first million and \$500 per half million thereafter.

CAPITAL RECOVERY FEE **	(\$/MG)
<i>Canal</i>	\$ 875,000
<i>Industrial</i>	\$ 1,600,000
<i>Potable</i>	\$ 2,800,000

\*\*Applicable only to acquisition of new contract quantity under water contracts.

All rates are calculated in \$/MG, unless otherwise noted.



## Gulf Coast Water Authority

### SUPPLEMENT TO EXHIBIT A 2023 WATER RATES

#### RAW WATER CONVEYANCE

CUSTOMER BASE	CONTRACT QUANTITY	
	(MGD)	(\$/MG)

#### CANAL SYSTEM A & B

<i>Texas City Reservoir Operations</i>	120.7990	\$ 276.17
<i>Ascend Performance Materials</i>	17.8660	276.17
<i>Ft. Bend WCID#2</i>	10.5000	276.17
<i>Missouri City</i>	20.0000	276.17
<i>Pecan Grove</i>	2.3524	491.61
<i>Sugar Land</i>	10.0000	276.17
<i>Pearland</i>	0.0000	-
<i>Underground Storage</i>	1.6000	276.17

#### CHOCOLATE BAYOU

<i>INEOS</i>	24.0000	\$ 448.26
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#### OPTION WATER

<i>Sugar Land</i>	10.0000	\$ 152.99
<i>Missouri City</i>	5.0000	152.99

#### INTERRUPTIBLE WATER

<i>Silvercreek Community Association</i>	0.0000	\$ 351.41
<i>Sugar Creek Country Club</i>	0.2098	429.30
<i>Mainland Concrete</i>	0.0329	276.18
<i>First Colony Community Services (Fluor)</i>	0.0803	268.77
<i>First Colony Commons</i>	0.0384	276.18
<i>Riverbend Country Club</i>	0.1370	274.89
<i>Diamond K</i>	0.0580	276.18
<i>Mag Creek Country Club</i>	0.4930	274.89
<i>Texas City Golf Course</i>	0.1096	276.18

AGRICULTURE WATER	(\$/AF)		(\$/MG)	
	\$		\$	
<i>Agriculture Water</i>	\$	63.01	\$	193.39

#### SPOT RAW WATER-(TRUCKED)

\$1,000 minimum up to first million and \$500 per half million thereafter.



Gulf Coast Water Authority

**SUPPLEMENT TO EXHIBIT A  
2023 WATER RATES**

**TEXAS CITY RESERVOIR (TCR)**

CUSTOMER BASE	(MGD)	RAW WATER CONVEYANCE (\$/MG)	O & M (\$/MG)	CAPITAL (\$/MG)	BOND *	AVERAGE COST BASED ON CONTRACT QUANTITIES (\$/MG)
		(\$/MG)	(\$/MG)	(\$/MG)	(\$/MG)	(\$/MG)
<i>Industrial Division</i>	62.0620	\$ 276.18	\$ 25.14	\$ 0.95	\$ 30.16	\$ 332.43
<i>Ashland</i>	1.0000	276.18	25.14	0.95	30.16	332.43
<i>Topaz</i>	0.1370	276.18	25.14	0.95	30.16	332.43
<i>Thomas Mackey Water Treatment Plant</i>	57.6000	276.18	25.14	0.95	26.30	328.57

\* The Thomas Mackey Water Treatments Plant provides the funds to pay for the Bond Series 2017A and the Industrial Division Customers and Ashland provide the funds to pay for the Bond Series 2017B.



Gulf Coast Water Authority

**SUPPLEMENT TO EXHIBIT A  
2023 WATER RATES**

**TEXAS CITY INDUSTRIAL (TCI)**

CUSTOMER BASE		CONTRACT QUANTITY				ESTIMATED USAGE POWER *	AVERAGE COST
		RAW WATER CONVEYANCE (\$/MG)	O & M (\$/MG)	CAPITAL (\$/MG)	BOND (\$/MG)		
	(MGD)					(\$/MG)	(\$/MG)
Dow	12.3910	\$ 332.43	\$ 97.38	\$ 65.11	\$ 51.55	\$ 30.61	\$ 567.26
Eastman	8.5420	332.43	97.38	65.11	51.55	30.61	549.78
Valero	6.5100	332.43	97.38	65.11	51.55	30.61	563.65
Blanchard Refining Company	34.6000	332.43	97.38	65.11	51.55	30.61	568.54
Texas City (Highway 146)	0.0190	332.43	97.38	65.11	-	-	501.28

\* Power based on Actual Usage September 21 to March 22.



Gulf Coast Water Authority

**SUPPLEMENT TO EXHIBIT A  
2023 WATER RATES**

**THOMAS MACKEY WATER TREATMENT PLANT**

CUSTOMER BASE	RESERVE CAPACITY			FY21 ACTUAL METERED WATER		COST BASED ON FY2021 ACTUAL MGD (\$/MG)	COST BASED ON CONTRACT QUANTITY (\$/MG)
	(MGD)	RAW WATER CONVEYANCY (\$/MG)	CAPITAL (\$/MG)	(MGD)	O & M (\$/MG)		
Texas City	11.5050	328.57	146.19	6.1807	945.66	1,829.41	982.79
La Marque	4.0270	328.57	146.19	2.9841	945.66	1,586.35	1,175.52
WCID #1	4.1650	328.57	146.19	2.2189	945.66	1,836.84	978.56
Bacliff	1.1900	328.57	146.19	0.5946	945.66	1,895.77	947.31
Bayview	0.3880	328.57	146.19	0.1129	945.66	2,577.27	749.94
WCID #12	3.0870	328.57	146.19	0.6916	945.66	3,064.85	686.62
San Leon	1.7850	328.57	146.19	0.5472	945.66	2,494.24	764.69
League City	5.5440	328.57	146.19	0.9562	945.66	3,698.21	637.88
Galveston	20.9900	328.57	146.19	10.5529	945.66	1,889.98	950.21
Hitchcock	2.0000	328.57	146.19	0.7661	945.66	2,185.06	837.01
WCID #8	1.6590	328.57	146.19	0.4944	945.66	2,538.94	756.56
MUD #12	0.4500	328.57	146.19	0.1953	945.66	2,039.60	885.18
FWSD #6	0.8100	328.57	146.19	0.1947	945.66	2,921.26	702.02