



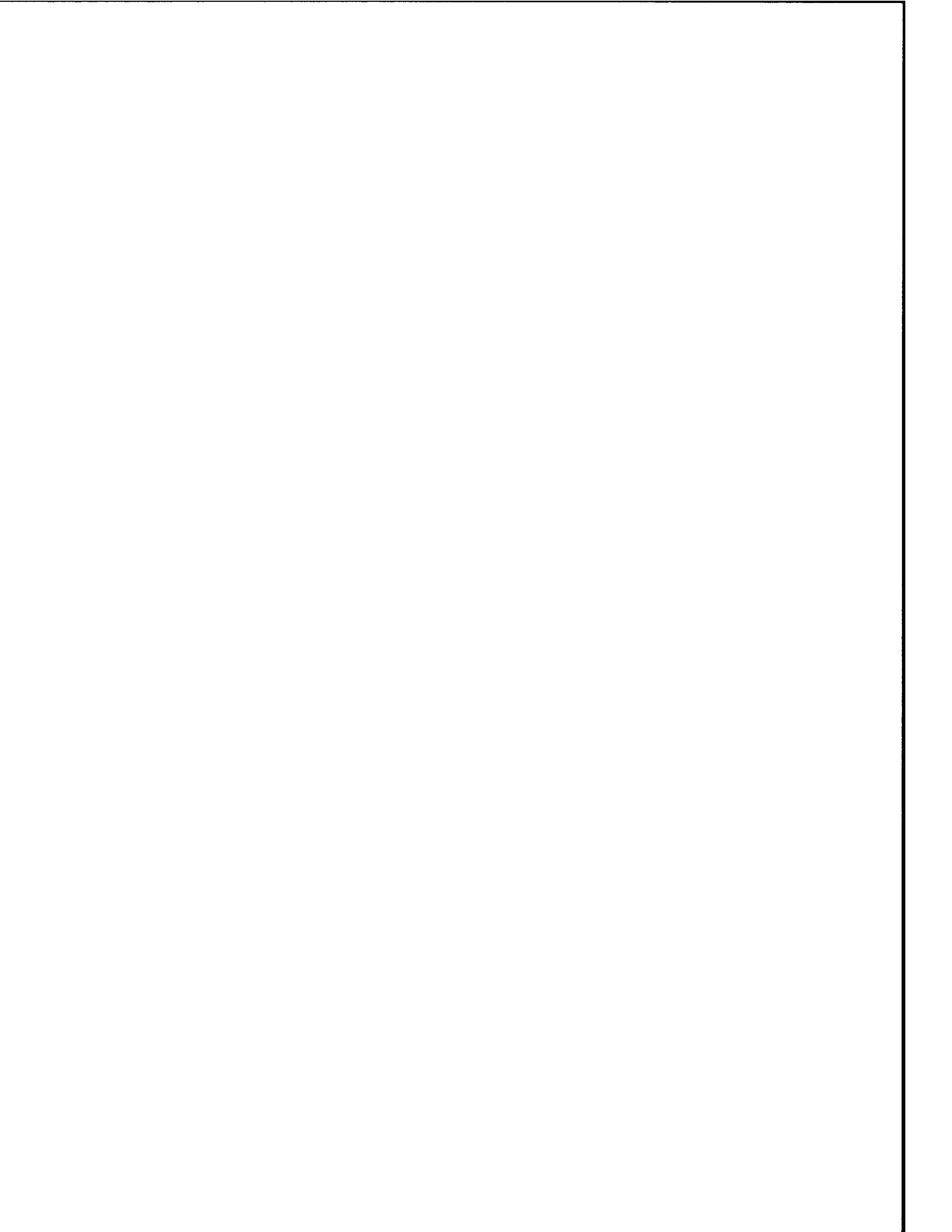
Control Number: 42865



Item Number: 2

Addendum StartPage: 0

House Bill (HB) 1600 and Senate Bill (SB) 567 83rd
Legislature, Regular Session, transferred the functions
relating to the economic regulation of water and sewer
utilities from the TCEQ to the PUC effective
September 1, 2014.



Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Zak Covar, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



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TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
PUBLIC UTILITY COMMISSION
FILING CLERK

Protecting Texas by Reducing and Preventing Pollution

May 16, 2014

Mr. Lambeth Townsend, Attorney
Lloyd, Gosselink, Rochelle & Townsend, P.C.
816 Congress Avenue, Suite 1900
Austin, TX 78701

Re: Docket No. 2014-0657-UCR; Petition filed by Monarch Utilities I, LP from the
Ratemaking Actions and Motion for Immediate Interim Water Rate Relief and
Consolidation of the City of Kyle in Montgomery County, Application No. 37883-A

CN: 602740706; RN: 102904596 (water)

Dear Mr. Townsend:

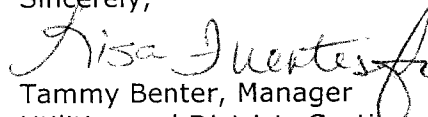
The above referenced petition which was received by the Texas Commission on
Environmental Quality on March 24, 2014, has been accepted for filing. The petition has
been assigned TCEQ Docket No. 2014-0657-UCR, for Application No. 37883-A. Please refer
all further communications regarding this petition to this docket number.

The petition is being forwarded to the State Office of Administrative Hearings (SOAH). A
date for a preliminary hearing on this matter will be scheduled. When a hearing has been
scheduled, you will receive a notice of hearing which explains when and where the hearing
will be held.

At this preliminary hearing the SOAH Judge will first establish jurisdiction. If jurisdiction is
established, then your request for interim rates may be considered at that time. An attempt
to reach an agreed settlement in this case may be made. If a settlement is not possible,
then a schedule for discovery, prefiled testimony and other hearing date will be set.

If you have any questions, please contact Mr. Leila Guerrero at (512) 239-4758, Ms. Heidi
Graham at (512) 239-0844, or Ahmad Tavakoly at (512) 239-4714 or by fax at (512) 239-
6972. If by correspondence, include MC153 in the letterhead address.

Sincerely,


Tammy Benter, Manager
Utilities and Districts Section
Water Supply Division

TB/LG/mmg

cc: Attached Mailing List

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Mailing List for Docket No. 2014-0657-UCR
(Application Nos. 37883-A)

Mr. Lambeth Townsend, Attorney
Lloyd, Gosselink, Rochelle & Townsend, P.C.
816 Congress Avenue, Suite 1900
Austin, Texas 78701

Representing: Monarch Utilities I, L.P.

Mr. George Freitag, Rate/Regulatory Manager
Monarch Utilities I, L.P.
12535 Reed Road
Sugar Land, Texas 77478

Hon. Lucy Johnson, Mayor
City of Kyle
P.O. Box 40
Kyle, Texas 78640

Ms. Amelia Sanchez, City Secretary
City of Kyle
P.O. Box 40
Kyle, Texas 78640


Mr. Jim Boyle, Attorney
Herrera & Boyle, PLLC
816 Congress Ave., Suite 1250
Austin, Texas 76701


Representing: City of Kyle

Ms. Bridget C. Bohac
Office of the Chief Clerk, MC-105
TCEQ
P.O. Box 13087
Austin, Texas 78711


TCEQ Interoffice Memorandum

TO: Bridget C. Bohac, Chief Clerk

THRU:  Tammy Benter, Manager
Utilities & Districts Section
5-14-14 Water Supply Division

 Lisa Fuentes, Team Leader
Utilities Financial Review Team
Water Supply Division

VP
5-16-14 Vera Poe, P.E., Team Leader
Utilities Technical Review Team
Water Supply Division

FROM:  Leila Guerrero
Ahmad Tavakoly
Utilities Financial Review Team
Water Supply Division

HG
5-14-14 Heidi Graham, E.I.T.
Utilities Technical Review Team
Water Supply Division

DATE: May 13, 2014

SUBJECT: Docket No. 2014-0657-UCR; Petition filed by Monarch Utilities I, LP from the Ratemaking Actions and Motion for Immediate Interim Water Rate Relief and Consolidation of the City of Kyle in Montgomery County, Application No. 37883-A

CN: 602740706; RN: 102904596 (water)

We hereby transfer the official file for the above referenced application to the Chief Clerk's Office. Please refer this application to the State Office of Administrative Hearings (SOAH) and request that a hearing be scheduled.

On September 3, 2013, Monarch Utilities I, L.P. (Monarch) filed a rate change application for a water and sewer rate/tariff change with the TCEQ to increase rates in areas over which the TCEQ has original jurisdiction. The application was assigned Application Nos. 37714-R and 37715-R. Monarch also filed applications in cities with original jurisdiction over Monarch's rates within their city limits, including the City of Kyle.

The petition was received in the Utilities and Districts Section of the Texas Commission on Environmental Quality on March 24, 2014. The petitioner is an investor-owned, retail public water and sewer utility. The petitioner received notice of the rate making action by the City of Kyle denying a water rate change inside the City on March 21, 2014. We estimate 20 people will attend the preliminary hearing in this matter. Attached is a mailing list.

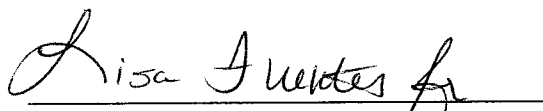
The staff assigned to this case are:

Technical - Heidi Graham
Ahmad Tavakoly

Financial - Leila Guerrero

Legal -

If we may be of further service regarding this matter, please call.



Tammy Benter, Manager

TB/LG/mmg