



Control Number: 43396



Item Number: 3

Addendum StartPage: 0

Donna L. Nelson
Chairman

Kenneth W. Anderson, Jr.
Commissioner

Brandy D. Marty
Commissioner

Brian H. Lloyd
Executive Director



Rick Perry
Governor

2015 JAN 23 AM 10:19

Public Utility Commission of Texas

January 22, 2015

Heritage Village Residences S6614

701 Heritage Cir
Hurst, TX, 76053-4875
avelasquez@minolusa.com

RECOMMENDATION

Project No. 43396

Registration Request of Heritage Village Residences to Change from Submetered to Allocated Billing pursuant to Texas Water Code, Subchapter M, Sec. 13.502(e)(1) and (2)

On November 17, 2014, Heritage Village Residences, Registration No. S6614, filed a request to change from Submetered to Allocated billing pursuant to Texas Water Code, Subchapter M, Sec. 13.502(e)(1) and (2). The request was assigned Project No. 43396.

Based on a review of the information provided, it appears the request meets the requirements of Texas Water Code, Subchapter M, Sec. 13.502(e)(1) and (2), and should be granted. The Commission's records should be updated to reflect the change from Submetered to Allocated billing upon receipt of PUC Form 10363 to be filed by Heritage Village Residences.

Please reference Subchapter H, §24.123 (c) of the PUC's rules which state the following: Tenant agreement to billing method changes. An owner shall not change the method by which a tenant is billed unless the tenant has agreed to the change by signing a lease or other written agreement. The owner shall provide notice of the proposed change at least 35 days prior to implementing the new method.

Also, Subchapter M, Sec. 13.5031.(1) of the Texas Water Code requires that the rental agreement must contain a clear written description of the method of calculation of the allocation of nonsubmetered master metered utilities for the manufactured home rental community, apartment house, or multiple use facility.

For future correspondence concerning Registration #S6614, please reference the same Docket # 43396.

Sincerely,

A handwritten signature in cursive script that reads "Tammy Benter".

Tammy Benter, Director
Water Utility Division

TB/DRT



Printed on recycled paper

An Equal Opportunity Employer

Heritage Village Residences
701 Heritage Way
Hurst Texas 76053

43396
~~43704~~

SAP 6614

Public Utilities Commission of Texas
Attn: Filing Clerk, Central Records
1701 N Congress Avenue
PO Box 13326
Austin, TX 78711-3326

2014 NOV 17 AM 9:16
PUBLIC UTILITIES COMMISSION
FILING CLERK

Re: Application for Approval to Switch from Submetered Billing to Allocated Billing
for Heritage Village Residences

To Whom It May Concern:

Please accept this letter and supplemental information as application for approval from the Public Utility Commission of Texas ("Commission") to switch water/sewer billing methods for Heritage Village Residences ("the Property") pursuant to P.U.C. SUBST. R. 24.123(d). The rule requires that a property owner obtain written approval from the Commission in order to switch from a submetered water/sewer billing method to an approved allocation method. Further, the owner must follow all rental agreement requirements under the rules and demonstrate good cause to switch methods, including equipment failures, meter reading, or billing problems that cannot feasibly be corrected (P.U.C. SUBST. R. 24.123(d)(1)(2)).

While the Property currently has submeters installed in the apartment units, the submeters only measure consumption on the cold water lines. The additional cost to install a hot water submeter for each unit would be approximately \$35,000, and unfortunately such financial commitment is not feasible for the Property at this time. Currently, our third party billing provider is only able to bill the residents of Heritage Village for a portion of their water/sewer consumption. In order to bill the residents for their full water/sewer consumption, our best option is to switch to an allocation method based upon the individually submetered cold water usage. As such, we are seeking Commission approval to allocate water/sewer charges in this manner.

Should the Commission approve the switch in billing methodology from a submetered method to an allocation method for the Property, all required residential notices and lease documentation will be provided to the residents at least 35 days prior to implementation as required. Our third party billing provider will implement a common area deduction based on the Property's common area characteristics in accordance with the rules. Upon receipt of approval, we will then file a revised registration form with the Commission reflecting the allocation method and common area deduction.

We hope the Commission finds the information provided herein helpful in demonstrating good cause to switch billing methods. We are confident that the residents of our community will be able to maintain greater control over their level of water/sewer charges through this approval. Should the Commission have any further questions or concerns, please contact me at your

91

Heritage Village Residences
701 Heritage Way
Hurst Texas 76053

earliest convenience. We appreciate the Commission's time and effort in looking into this matter and look forward to receipt of a response.

Respectfully submitted,

~~Shelly Johnson~~ *Patricia Nixon*