

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



STATE OF TEXAS §

COUNTY OF TRAVIS §

I, Bridget C. Bohac, Chief Clerk of the Texas Commission on Environmental Quality, do hereby certify that the attached mailing list provides the persons to whom the amended notice of the public hearing for Monarch Utilities I, L.P., SOAH Docket No. 582-14-3859, TCEQ Docket No. 2014-0596-UCR, was mailed on June 10, 2014. Given under my hand and the seal of the Texas Commission on Environmental Quality, this the 10th day of June, 2014.

Bridget C. Bohac  
Bridget C. Bohac, Chief Clerk  
Texas Commission on Environmental Quality

SEAL

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**AMENDED NOTICE OF HEARING  
MONARCH UTILITIES I, L.P.  
SOAH Docket No. 582-14-3859  
TCEQ Docket No. 2014-0596-UCR**

**PETITION.**

Monarch Utilities I, L.P., 12535 Reed Road, Sugar Land, Texas 77478, has filed a petition with the Texas Commission on Environmental Quality (TCEQ) appealing the ratemaking actions and motion for immediate interim water rate and sewer rate relief of the City of Blue Mound, P.O. Box 164129, Fort Worth, Texas 76161, in Tarrant County, Texas (Application Nos. 37841-A and 37844-A).

**CONTESTED CASE HEARING.**

The State Office of Administrative Hearings (SOAH) will conduct a preliminary hearing on this petition at:

**10:00 a.m. – June 25, 2014  
William B. Travis Building  
1701 North Congress, Room 1-104  
Austin, Texas 78701**

The purpose of a preliminary hearing is to establish jurisdiction, name the parties, establish a procedural schedule for the remainder of the proceeding, allow an opportunity for settlement discussions, and to address other matters as determined by the judge. The evidentiary hearing phase of the proceeding will be similar to a civil trial in state district court. The hearing will be conducted in accordance with Chapter 2001, Texas Government Code; Chapter 13, Texas Water Code; TCEQ rules, including 30 Texas Administrative Code (TAC) Chapter 291; and the procedural rules of the TCEQ and SOAH, including 30 TAC Chapter 80 and 1 TAC Chapter 155. To participate in the evidentiary hearing as a party, you must attend the preliminary hearing and show you would be affected by the petition in a way not common to members of the general public.

**INFORMATION.**

Information concerning your participation in this hearing may be obtained by contacting Vic McWherter, TCEQ Office of Public Interest Counsel (MC 103), P.O. Box 13087, Austin, TX 78711-3087, telephone 512-239-6363. For additional information, please contact the TCEQ Water Supply Division, Utilities & Districts Section (MC 153), P.O. Box 13087, Austin, TX 78711-3087, telephone 512-239-4691. General information regarding the TCEQ can be found at our web site at <http://www.tceq.texas.gov/>.

Persons with disabilities who plan to attend this hearing and who need special accommodations at the hearing should call the SOAH Docketing Department at 512-475-3445, at least one week prior to the hearing.

Issued: June 10, 2014



Bridget C. Bohac, Chief Clerk  
Texas Commission on Environmental Quality

**MAILING LIST**  
**MONARCH UTILITIES I, L.P.**  
**SOAH Docket No. 582-14-3859**  
**TCEQ Docket No. 2014-0596-UCR**

Lambeth Townsend, Attorney  
Lloyd, Gosselink, Rochelle & Townsend, P.C.  
816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
*Representing: Monarch Utilities I, L.P.*

Mark H. Zeppa, Attorney  
Law Offices of Mark H. Zeppa, P.C.  
4833 Spicewood Springs Road # 202  
Austin, Texas 78759  
*Representing: Monarch Utilities I, L.P.*

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

Mayor Alan Hooks  
City of Blue Mound  
P.O. Box 164129  
Fort Worth, Texas 76161  
*Representing: City of Blue Mound*

Kathryn Sanchez, City Secretary  
City of Blue Mound  
P.O. Box 164129  
Fort Worth, Texas 76161  
*Representing: City of Blue Mound*

Jim Boyle, Attorney  
Herrera & Boyle, PLLC  
816 Congress Avenue, Suite 1250  
Austin, Texas 78701  
*Representing: City of Blue Mound*

Jim Rourke, Assistant Public Counsel  
Office of Public Utility Counsel  
P.O. Box 12397  
Austin, Texas 78711-2397  
*Representing: Office of Public Utility Counsel*

Texas Commission on Environmental Quality

P. O. Box 13087

Austin, Texas 78711-3087

***Via electronic mail:***

Christiaan Siano, Staff Attorney, Environmental Law Division (MC 173)

Heidi Graham, Technical Staff, Water Supply Division, Utilities & Districts Section  
(MC 153)

Fred Bednarski, Financial Staff, Water Supply Division, Utilities & Districts  
Section (MC 153)

Vic McWherter, Office of Public Interest Counsel (MC 103)

**TEXAS COMMISSION  
ON ENVIRONMENTAL QUALITY**

---

**TRANSMITTAL OF ADMINISTRATIVE RECORD**

**DATE:** June 10, 2014

**TO:** SOAH Natural Resources Docket Clerk

**THRU:** Melissa Chao, Section Manager  
TCEQ Agenda / Final Documents Section

**FROM:** *KA* Katha Anderson, TCEQ SOAH Docket Coordinator

**RE:** Monarch Utilities I, L.P.; Application Nos. 37841-A and 37844-A  
SOAH Docket No. 582-14-3859; TCEQ Docket No. 2014-0596-UCR

Pursuant to 30 TAC ' 80.6(b)(4) regarding referrals to SOAH, a copy of the Chief Clerk's case file is attached. Please find **certified** copies of the following documents:

- 1. the petition;
- 2. public hearing notice and Chief Clerk's affidavit

If any of these documents are not included as enclosures with this memo, please notify Melissa Chao, Section Manager at (512) 239-5234.


TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



STATE OF TEXAS §

COUNTY OF TRAVIS §

I, Bridget C. Bohac, Chief Clerk of the Texas Commission on Environmental Quality, do hereby certify that the attached mailing list provides the persons to whom the notice of the public hearing for Monarch Utilities I, L.P., SOAH Docket No. 582-14-3859, TCEQ Docket No. 2014-0596-UCR, was mailed on June 3, 2014. Given under my hand and the seal of the Texas Commission on Environmental Quality, this the 4th day of June, 2014.

  
\_\_\_\_\_  
Bridget C. Bohac, Chief Clerk  
Texas Commission on Environmental Quality

SEAL

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**NOTICE OF HEARING**  
**MONARCH UTILITIES I, L.P.**  
**SOAH Docket No. 582-14-3859**  
**TCEQ Docket No. 2014-0596-UCR**

**PETITION.**

Monarch Utilities I, L.P., 12535 Reed Road, Sugar Land, Texas 77478, has filed a petition with the Texas Commission on Environmental Quality (TCEQ) appealing the ratemaking actions and motion for immediate interim water rate and sewer rate relief and consolidation of the City of Blue Mound, P.O. Box 164129, Fort Worth, Texas 76161, in Tarrant County, Texas (Application Nos. 37841-A and 37844-A).

**CONTESTED CASE HEARING.**

The State Office of Administrative Hearings (SOAH) will conduct a preliminary hearing on this petition at:

**10:00 a.m. – June 25, 2014**  
**William B. Travis Building**  
**1701 North Congress, Room 1-104**  
**Austin, Texas 78701**

The purpose of a preliminary hearing is to establish jurisdiction, name the parties, establish a procedural schedule for the remainder of the proceeding, allow an opportunity for settlement discussions, and to address other matters as determined by the judge. The evidentiary hearing phase of the proceeding will be similar to a civil trial in state district court. The hearing will be conducted in accordance with Chapter 2001, Texas Government Code; Chapter 13, Texas Water Code; TCEQ rules, including 30 Texas Administrative Code (TAC) Chapter 291; and the procedural rules of the TCEQ and SOAH, including 30 TAC Chapter 80 and 1 TAC Chapter 155. To participate in the evidentiary hearing as a party, you must attend the preliminary hearing and show you would be affected by the petition in a way not common to members of the general public.



**INFORMATION.**

Information concerning your participation in this hearing may be obtained by contacting Blas Coy, TCEQ Office of Public Interest Counsel (MC 103), P.O. Box 13087, Austin, TX 78711-3087, telephone 512-239-6363. For additional information, please contact the TCEQ Water Supply Division, Utilities & Districts Section (MC 153), P.O. Box 13087, Austin, TX 78711-3087, telephone 512-239-4691. General information regarding the TCEQ can be found at our web site at <http://www.tceq.texas.gov/>.

Persons with disabilities who plan to attend this hearing and who need special accommodations at the hearing should call the SOAH Docketing Department at 512-475-3445, at least one week prior to the hearing.

Issued: June 3, 2014



Bridget C. Bohac, Chief Clerk  
Texas Commission on Environmental Quality

**MAILING LIST**  
**MONARCH UTILITIES I, L.P.**  
**SOAH Docket No. 582-14-3859**  
**TCEQ Docket No. 2014-0596-UCR**

Lambeth Townsend, Attorney  
Lloyd, Gosselink, Rochelle & Townsend, P.C.  
816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
*Representing: Monarch Utilities I, L.P.*

Mark H. Zeppa, Attorney  
Law Offices of Mark H. Zeppa, P.C.  
4833 Spicewood Springs Road # 202  
Austin, Texas 78759  
*Representing: Monarch Utilities I, L.P.*

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

Mayor Alan Hooks  
City of Blue Mound  
P.O. Box 164129  
Fort Worth, Texas 76161  
*Representing: City of Blue Mound*

Kathryn Sanchez, City Secretary  
City of Blue Mound  
P.O. Box 164129  
Fort Worth, Texas 76161  
*Representing: City of Blue Mound*

Jim Boyle, Attorney  
Herrera & Boyle, PLLC  
816 Congress Avenue, Suite 1250  
Austin, Texas 78701  
*Representing: City of Blue Mound*

Jim Rourke, Assistant Public Counsel  
Office of Public Utility Counsel  
P.O. Box 12397  
Austin, Texas 78711-2397  
*Representing: Office of Public Utility Counsel*

Texas Commission on Environmental Quality  
P. O. Box 13087  
Austin, Texas 78711-3087

***Via electronic mail:***

Christiaan Siano, Staff Attorney, Environmental Law Division (MC 173)  
Heidi Graham, Technical Staff, Water Supply Division, Utilities & Districts Section  
(MC 153)  
Fred Bednarski, Financial Staff, Water Supply Division, Utilities & Districts  
Section (MC 153)  
Vic McWherter, Office of Public Interest Counsel (MC 103)

**Katha Anderson**

---

**From:** Monica Luna <Monica.Luna@soah.state.tx.us>  
**Sent:** Monday, June 02, 2014 10:49 AM  
**To:** Katha Anderson  
**Subject:** AMENDED CONFIRMATION

SETTING OF HEARING(S)

<u>Docket Number</u>	<u>Case</u>	<u>Date</u>	<u>Time/Duration</u>
582-14-3859 2014-0596-UCR	MONARCH UTILITIES I, LP	6/25/14	10:00AM / 1 DAY
582-14-3860 2014-0595-UCR	MONARCH UTILITIES I, LP	SAME	
582-14-3861 2014-0598-UCR	MONARCH UTILITIES I, LP	6/25/14	10:00AM / 1 DAY
582-14-3862 2014-0657-UCR	MONARCH UTILITIES I, LP	SAME	
582-14-3863 2014-0599-UCR	MONARCH UTILITIES I, LP	6/25/14	10:00AM / 1 DAY

Hearing Location

**William B. Travis Building  
1701 N. Congress – Room 1-104  
Austin, Texas 78701**

All parties will be notified in the event of a change of location of the hearing.

Please remember that you are responsible for providing the court reporter as required by your agency.

If you have any questions regarding any of the information herein, please contact me.

Date complete request received by SOAH:

Proceeding date set by SOAH:

SOAH Docket Number & type of case:

REQUEST TO DOCKET CASE (Please type or print)

PLEASE CHECK ACTION REQUESTED:\*\*

X SETTING OF HEARING [ ] ASSIGNMENT OF ALJ \* [ ] ALTERNATIVE DISPUTE RESOLUTION (ADR)/MEDIATION\*

REFERRING AGENCY NAME: TCEQ AGENCY NO.: FILE/CASE NO.: 2014-0596-UCR

NAME/STYLE OF THE CASE: MONARCH UTILITIES I, LP

DATE APPLICATION FILED AT AGENCY: DOCKET NO. SUFFIX, if applicable: UCR

PROCEEDING DATE(S) REQUESTED (Include range of dates if possible): JUNE 25, 2014

EXPECTED NUMBER OF HOURS (If less than a day) OR DAYS NEEDED FOR PROCEEDING: HOURS 1 DAYS

[ ] ADMIN. FINE [ ] GRIEVANCE [ ] ENFORCEMENT [ ] CONTRACT CLAIM (Gov't. Code 2260) [ ] OTHER

SPECIAL NEEDS OR ACCOMMODATIONS: HEARING IN AUSTIN. SEATING FOR 20 PEOPLE (request to consolidate time and date with Monarch Utilities I, LP docket Nos. 2014-0413-UCR, 2014-0595-UCR, 2014-0598-UCR, 2014-0599-UCR and 2014-0657-UCR for hearing purposes). A Motion will be sent for the 6 cases to be combined.

IF ADR REQUESTED PLEASE DESCRIBE PROCESS NEEDED:

[ ] PREHEARING CONFERENCE REQUESTED [ ] INTERPRETER NEEDED(See 1 TAC 155.43(g))

[ ] CASE FILE and/or [ ] HEARING IS CONFIDENTIAL (Specify applicable statute):

NAME OF INDIVIDUAL SENDING REQUEST FORM: KATHA ANDERSON PHONE NO.: 239-3316 FAX NO.: 239-3311

PARTIES AND REPRESENTATIVES

PARTY REPRESENTED BY: [ ] SELF [ ] ATTORNEY [ ] OTHER, If so, relationship:

REPRESENTATIVE'S NAME: Christiaan Siano

PARTY'S NAME:

ADDRESS:

PHONE No.: (512) 239-6743 (Direct Phone Number Please)

Email Address: Christiaan.siano@tceq.texas.gov

FAX No.:

PARTY REPRESENTED BY: [ ] SELF [ ] ATTORNEY [ ] OTHER, If so, relationship:

REPRESENTATIVE'S NAME:

PARTY'S NAME:

ADDRESS:

PHONE No.: (Direct Phone Number Please)

Email Address:

FAX No.:

PLEASE LIST ADDITIONAL PARTIES AND/OR REPRESENTATIVES ON EXTRA FORM PROVIDED.

SEND TO: STATE OFFICE OF ADMINISTRATIVE HEARINGS ATTN.: Deputy Clerk William P. Clements Building 300 West 15th Street, Suite 504 Austin, Texas 78701

OR

Post Office Box 13025 Austin, Texas 78711-3025 Docketing Phone No. (512) 475-3445 Fax No. (512) 475-4994

\*PLEASE FORWARD A COPY OF THE APPLICATION, APPEAL, OR COMPLAINT WITH THIS REQUEST FORM, AS WELL AS ANY OTHER PLEADING FILED IN THE CASE TO DATE IF REQUESTING ASSIGNMENT OF ALJ or ALTERNATIVE DISPUTE RESOLUTION (ADR)/MEDIATION. A COPY OF THE NOTICE OF PROCEEDING MUST BE FORWARDED TO SOAH AT THE SAME TIME IT IS MAILED TO THE PARTIES.



816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
512.322.5800 p  
512.472.0532 f  
lglawfirm.com

**TELECOPIER COVER SHEET**

Type in Date; or Insert, Date-make sure update auto is NOT checked

PLEASE DELIVER THE FOLLOWING PAGES:

2014 JAN 27 AM 9  
CHIEF CLERKS OFFICE

TEXAS  
COMMISSION ON  
LAWYER  
QUALITY

To: Office of Chief Clerk	Firm: TCEQ
Verification Phone No.: 512-239-3300	Telecopy No.: 512-239-3311
To: Kathryn Sanchez	Firm: Blue Mound
Verification Phone No.: 817-232-0663	Telecopy No.: 817-232-4436
To: Jim Boyle	Firm: Herrera & Boyle
Verification Phone No.: 512-474-1492	Telecopy No.: 512-474-2507
To:	Firm:
Verification Phone No.:	Telecopy No.:
Client No.: 3176-10	No. Pages:
Documents transmitted:	Monarch's Petition for Review of Municipal Rate Ordinance and Motion for Interim Rates
From:	Lambeth Townsend
Comments:	

THE INFORMATION CONTAINED IN THIS FACSIMILE MESSAGE IS ATTORNEY PRIVILEGED AND CONFIDENTIAL INFORMATION INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY NAMED ABOVE. THE REVIEW, DISSEMINATION, DISTRIBUTION OR COPYING OF THIS COMMUNICATION TO ANYONE OTHER THAN THE INTENDED ADDRESSEE IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE IMMEDIATELY NOTIFY US BY TELEPHONE, AND RETURN THE ORIGINAL MESSAGE TO US AT THE ABOVE ADDRESS VIA THE U.S. POSTAL SERVICE. THANK YOU.

IF YOU DO NOT RECEIVE ALL PAGES, PLEASE CALL US AS SOON AS POSSIBLE AT (512) 322-5800.

317610/4348263/Blue Mound

**SOAH DOCKET NO. 582-11-8685**

**TCEQ DOCKET NO. 2011-1280-UCR**

ALJs Richard R. Wilfong and Tommy L. Broyles

Monarch I LP; CCN Nos. 12873, 20899; Application Nos. 37049-R; 37050-R

The following is an addendum to paragraph 11 of our settlement in SOAH Docket No. 582-11-8685 (consolidated) on May 2, 2012. Paragraph 11 set forth sewer rates and provided the correct gallonage charge and the correct rate for a 5/8x3/4" meter. The parties inadvertently omitted sewer rates for meter sizes 3/4" to 8" and are therefore adding that information to the settlement.

**Agreement**

11. The parties agree upon the following sewer rates to be effective on the first meter read after June 1, 2012:

Meter Size	Equivalency Factor	Monthly Rate
5/8 x 3/4"		\$ 59.00
3/4"		\$ 89.85
1"		\$ 149.75
1 1/4"		\$ 299.50
2"		\$ 479.25
3"		\$ 898.50
4"		\$ 1,497.50
6"		\$ 2,995.00
8"		\$ 4,792.00

Gallonage Charge per 1000 gallons based on winter average for residential customers and actual usage for other customers: \$2.10

**PARTIES:**

	<u>SIGNATURE</u>	<u>DATE</u>
TCEQ Exec. Director:	<i>Brian MacLeod</i>	5/8/12
Public Interest Council:		
Utility:	<i>City of Bluebonnet</i>	5/8/12
Protestants:	<i>Coalition of Cities</i>	5/8/12

### Sewer

Residential sewer service will be billed year round using that service connection's average winter water consumption during December, January and February. Single family residential service connections without an historic winter average will have an imputed average of 5,000 gallons until they have established an average. Multi-family residential service connections without an historic winter average will have an imputed average of 5,000 gallons per residential unit until they have established an average.

Non-residential service connections will be billed on actual monthly water consumption without the use of winter averaging.

#### MISCELLANEOUS FEES AND CHARGES-TO ALL CUSTOMERS

TAP FEE (gravity sewer, street or easement installation)	\$700.00
TAP FEE (pressure sewer, non-rock installation)	\$1,525.00
TAP FEE (pressure sewer, rock installation)	\$3,770.00
LARGE METER TAP FEE	Actual cost
ACCOUNT SET UP FEE (sewer only customers)	\$25.00
RECONNECTION FEE	
a) Non payment of bill	\$25.00
b) Customer's request	\$50.00
SEASONAL RECONNECTION FEE	

Base rate times number of months off the system not to exceed six months when leave and return within a twelve month period.

TRANSFER FEE	\$45.00
LATE CHARGE	10% of the delinquent bill
RETURNED CHECK CHARGE	\$25.00
CUSTOMER DEPOSIT - RESIDENTIAL	\$50.00
CUSTOMER DEPOSIT - NON-RESIDENTIAL	1/8 <sup>th</sup> Est. Annual Bill
SERVICE RELOCATION FEE	Actual cost to relocate that connection

#### LINE EXTENSION AND CONSTRUCTION CHARGES:

Refer to Section 2.12 Specific Utility Service Rules and Section 3.02 Utility Specific Extension Policy for terms, conditions, and charges.

#### GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE CLAUSE:

Increases in inspection fees and water testing costs imposed by state or federal law may be passed through as an adjustment to the monthly base rate charge under the terms and conditions of 30 T.A.C. 291.21(k)(2) after notice to customers and upon written approval by the TCEQ.

#### DAMAGE OR SERVICE DIVERSION PENALTY:

One time penalty for tampering with or damaging a sewer service connection or any appurtenance thereto including pumps or service diversion of one hundred dollars (\$100.00).

#### FRANCHISE FEE PASS THROUGH CLAUSE:

Charges a municipality makes for use of streets and alleys pursuant to Tax Code §162.028 or other applicable state law shall be passed through utility-wide as an adjustment to the sewer gallonage charge according to the following formula:

$$AG = G + B, \text{ where}$$

AG = adjusted gallonage charge, rounded to the nearest one cent;  
G = approved gallonage charge (per 1,000 gallons) and  
B = projected franchise fees payable (per 1,000 gallons).

#### PURCHASED SEWER PASS THROUGH CLAUSE:

Changes in fees imposed by any non-affiliated third party wholesale sewer service provider shall be passed through utility-wide as an adjustment to the sewer gallonage charge according to the following formula:

$$AG = G + B, \text{ where}$$

AG = adjusted gallonage charge, rounded to the nearest one cent;  
G = approved gallonage charge (per 1,000 gallons) and  
B = change in purchased sewer service gallonage charge (per 1,000 gallons).

# Attachment B



Water

Notice of proposed water/sewer rate change (cont'd)

Jurisdiction over the Utility shall be passed through utility-wide as an adjustment to the water gallonage charge according to the following formula:

$$\begin{aligned} \text{Adjustment to the gallonage rate} &= AG = (CP/GB) \times 1,000 \\ \text{Adjustment to the minimum bill} &= AMB = GMB \times AG \end{aligned}$$

- CP = CP1 - CP0 = change in cost of purchased water;
- CP1 = Cost of purchased water during the most recent 12 month period at the new rate;
- CP0 = Cost of purchased water during the most recent 12 month period at the previous rates;
- GMB = Number of gallons in the minimum bill, divided by 1,000; and
- GB = Number of gallons billed to customers in excess of the amount included in the monthly minimum bill for the 12 month period used above.

TEMPORARY WATER RATE:

Unless otherwise superseded by TCEQ order or rule, if the Utility is ordered by a court or governmental body of competent jurisdiction to reduce its pumpage, production, or water sales, the Utility shall be authorized to increase its approved gallonage charge according to the formula:

$$TGC = cgc + \frac{pr}{(1.0-r)}$$

Where:

- TGC = temporary gallonage charge;
- cgc = current gallonage charge;
- r = water use reduction expressed as a decimal fraction (the pumping restriction); and
- pr = percentage of revenues to be recovered expressed as a decimal fraction. For this tariff pr shall equal 0.5.

To implement the Temporary Water Rate, the Utility must comply with all notice and other requirements of 30 T.A.C. 291.21(l).

METER TAMPERING, DAMAGE OR SERVICE DIVERSION PENALTY:

One time penalty for tampering with or damaging a water meter or any appurtenance thereof including locks and meter boxes or service diversion of one hundred dollars (\$100.00).

FRANCHISE FEE PASS THROUGH CLAUSE:

Charges a municipality makes for use of streets and alleys pursuant to Tax Code §182.025 or other applicable state law shall be passed through utility-wide as an adjustment to the water gallonage charge according to the following formula:

$$\begin{aligned} AG &= G + B, \text{ where} \\ AG &= \text{adjusted gallonage charge, rounded to the nearest one cent} \\ G &= \text{approved gallonage charge (per 1,000 gallons) and} \\ B &= \text{projected franchise fees payable (per 1,000 gallons).} \end{aligned}$$

8

Water

**SUPPLEMENTAL EMERGENCY SERVICE FEE**

Applicable to nonresidential water service customers that require supplemental service over and above their existing water service from time to time. Usage to be determined by customer. The minimum diameter for supplemental service meter shall be 2 inches.

Monthly Supplemental Service Rate = \$13.43 per inch diameter of service connection meter.

**MISCELLANEOUS FEES AND CHARGES-TO ALL CUSTOMERS**

TAP FEE (5/8 x 3/4" meter)	\$700.00
TAP FEE (unique costs)	Actual Cost
LARGE METER TAP FEE	Actual Cost
RECONNECTION FEE	
-a) Non payment of bill	\$25.00
b) Customer's request	\$50.00
TRANSFER FEE	\$45.00
LATE CHARGE	10% of the delinquent bill
RETURNED CHECK CHARGE	\$25.00
CUSTOMER DEPOSIT - RESIDENTIAL	\$50.00
CUSTOMER DEPOSIT - NON-RESIDENTIAL	1/6 <sup>th</sup> Est. Annual Bill
METER TEST FEE	\$25.00
SEASONAL RECONNECTION FEE	Base rate times number of months off the system not to exceed six months when leave and return within a twelve month period.
METER RELOCATION FEE	Actual cost to relocate that meter
METER CONVERSION FEE	Actual cost to convert that meter

**LINE EXTENSION AND CONSTRUCTION CHARGES:**

Refer to Tariff Section 2.12 Specific Utility Service Rules and Section 3.02 Specific Utility Extension Policy for terms, conditions, and charges.

**GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE CLAUSE:**

Increases in inspection fees and water testing costs imposed by state or federal law may be passed through as an adjustment to the monthly base rate charge under the terms and conditions of 80 T.A.C. 291.21(k)(2) after notice to customers and upon written approval by the TCEQ.

**PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE - ALL WATER SUPPLY SUBJECT TO FEE:**

Changes in fees imposed by any non-affiliated third party water supplier or underground water district having jurisdiction over the Utility shall be passed through utility-wide as an adjustment to the water gallonage charge according to the following formula:

- AG =  $G + B/(1-L)$ , where
- AG = adjusted gallonage charge, rounded to the nearest one cent;
- G = approved gallonage charge (per 1,000 gallons);
- B = change (per 1,000 gallons) due to purchased water/district gallonage changes;
- and
- L = system average line loss for preceding 12 months not to exceed 0.15.

**PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE - PORTION OF WATER SUPPLY SUBJECT TO FEE:**

Upon notice from a water supplier of either an increase or decrease in the cost of purchased water, the utility shall provide notice to customers and the Commission of its intent to implement rates imposed by any non-affiliated third party water supplier or underground water district having

Attachment A

06/01/2012 05:21 817-232-4435

BLUEMOUNDTX

PAGE 08

(Additional pages attached a )

**ATTACHMENTS:**

- ATTACHMENT A
- ATTACHMENT B

**PARTIES:**

TCEQ Exec. Director: *Erin M. ...*

Public Interest Council: *Army Swankholm*

Utility: *... attorney for ...*

Protestants: *David O. ... for Texas Against Monopolies' Excessive Rates*

06/01/2012 05:21

817-232-4435

BLUEMOUNDTX

PAGE 07

over 20,000 \$9.00

Meter Size	Equivalency Factor	Monthly Rate
5/8 x 3/4"		\$ 39.95
3/4"		\$ 59.93
1"		\$ 99.88
1 1/2"		\$ 199.75
2"		\$ 319.60
3"		\$ 599.25
4"		\$ 998.75
6"		\$ 1,997.50
8"		\$ 3,196.00

January 1, 2013: Step 2

Base monthly fee: \$39.95

Gallage charge per 1000 gallons:

0 to 2,000 \$6.05

2,001 to 10,000 \$7.45

10,001 to 20,000 \$8.45

over 20,000 \$9.00

Meter Size	Equivalency Factor	Monthly Rate
5/8 x 3/4"		\$ 39.95
3/4"		\$ 59.93
1"		\$ 99.88
1 1/2"		\$ 199.75
2"		\$ 319.60
3"		\$ 599.25
4"		\$ 998.75
6"		\$ 1,997.50
8"		\$ 3,196.00

11. The parties agree upon the following sewer rates to be effective on the first meter read after June 1, 2012:

Base monthly rate: \$59.90

Gallage Charge per 1000 gallons based on winter average: \$2.10

REFUNDS/SURCHARGES:

YES

**NO**

06/01/2012 05:21

817-232-4435

BLUEMOUNDTX

PAGE 05

SOAH DOCKET NO. 582-11-8685

TCEQ DOCKET NO. 2011-1280-UCR

ALJs Richard R. Wilfong and Tommy L. Broyles

Monarch I LP; CCN Nos. 12873, 20899; Application Nos. 37049-R; 37050-R.

The following is our settlement in SOAH Docket No. 582-11-8685 (consolidated) on May 2, 2012.

Agreements

1. Increase in revenue in the amount of \$2.6 million to be included in rates to be effective in the Cities and the environs as follows:
 

June 1, 2012 =	\$1.7 million
January 1, 2013 =	plus \$0.9 million
	\$2.6 million
2. Moratorium on effective date for a new rate increase until January 1, 2014. Monarch is not seeking a rate base or depreciation rate determination as part of the settlement. No rate base determination or depreciation rate filing will be made before the next general rate case.
3. No surcharge for recovery of rate case expenses, and no more payment of city rate case expenses by Monarch.
4. No agreement regarding the transfer of utility systems to Blue Mound or Oak Point.
5. Monarch agrees to one week extension from 04/30/2012 to 05/07/2012 for responses to Monarch's motions to lift abatement and for leave to amend the application.
6. Miscellaneous charges and all other tariff provisions as filed in the rate application.
7. Add additional language to Franchise Fee Pass through Clause in the Monarch tariff to clarify that the charge is limited to 2% or amount charged by the municipality for water and sewer.
8. Monarch will serve attorneys for Collation of Cities and TAMER with notice of any filing at TCEQ for implementation of purchased water pass through clause.
9. This agreement is subject to approval by city councils for those parties who are municipalities.
10. The parties agree upon the following water rates to be effective on the first meter read after June 1, 2012, and January 1, 2013:

June 1, 2012: Step 1

Base monthly fee: \$39.95

Gallage charge per 1000 gallons:

0 to 2,000 \$5.50

2,001 to 20,000 \$6.84

06/01/2012 05:21

817-232-4435

BLUEMOUNTX

PAGE 05

## APPENDIX A

# SETTLEMENT AGREEMENT

MONARCH UTILITIES I, L.P.  
REQUEST TO INCREASE RATES

SOAH DOCKET NO 582-11-8685  
TCEQ DOCKET NO. 2011-1280-UCR

**Section 1.** The facts contained in the Preamble of this Ordinance are determined to be true and correct and are hereby adopted as part of this Ordinance.

**Section 2.** The settlement, attached hereto as Appendix A, with an addendum, is hereby adopted and approved.

**Section 3.** Special Counsel, Herrera & Boyle, PLLP, for the City of Blue Mound, is instructed to do all things consistent with promoting the adoption of the settlement by the Texas Commission on Environmental Quality.

**Section 4.** A copy of this ordinance will be sent to Mr. George Freitag, Rate Manager, Monarch Utilities I, L.P., 12535 Reed Road, Sugar Land, Texas 77478 and to Mr. Jim Boyle, Herrera & Boyle, PLLP, 816 Congress, Suite 1250, Austin, Texas 78701.

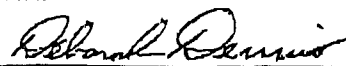
**Section 5.** The meeting at which this resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

**Section 6** This resolution shall be effective immediately upon passage.

**PASSED AND APPROVED** this 15th day of May, 2012.

  
Mayor, Alan Hooks

ATTEST:

  
Deborah Dennis, City Secretary



see Attachments : Appendix A Settlement Agreement

<u>CHARGES</u>	<u>REQUESTED</u>	<u>SETTLEMENT</u>	<u>DECREASE<sup>1</sup></u>
MIN. CHARGE	\$59.82/mo.	\$39.95/mo.	\$19.87/mo
2000 GALLONS	\$73.82/mo	\$50.95/mo	\$22.87/mo
5000 GALLONS	\$94.82/mo	\$71.47/mo	\$23.45/mo
10,000 GALLONS	\$129.82/mo	\$105.67/mo	\$24.14/mo

WHEREAS, for consumption after June 1, 2013 (phase 2), the decreases from the requested amounts are slightly smaller, except that the base charge remains the same, as follows:

<u>CHARGES</u>	<u>REQUESTED</u>	<u>SETTLEMENT</u>	<u>DECREASE</u>
MIN. CHARGE	\$59.82/mo.	\$39.95/mo.	\$19.87/mo
2000 GALLONS	\$73.82/mo	\$52.05/mo	\$21.97/mo
5000 GALLONS	\$94.82/mo	\$74.40/mo	\$20.42/mo
10,000 GALLONS	\$129.82/mo	\$111.65/mo	\$18.17/mo

WHEREAS, unlike most water rate proceedings, the settlement provides that no rate case expenses be borne by ratepayers.

WHEREAS, unlike most water rate proceedings, the settlement provides that there is no increase in rates between the date of the original effective date and the date that the new rates go into effect; and

WHEREAS, the settlement provides for a moratorium on any additional rate increases before January 1, 2014 except for purchased water adjustments but the Coalition of Cities will be given notice of any such adjustments filed at the TCEQ; and

WHEREAS, the settlement provides that Monarch shall not request a valuation of its invested capital or seek to set depreciation rates at the Texas Commission on Environmental Quality before the next general rate case; and

WHEREAS, Monarch withdrew its request to acquire seven stand-alone water utilities and three sewer utilities which would have caused ratepayers inside the City to subsidize many of the stand-alone utilities.

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL FOR THE CITY OF BLUE MOUND, TEXAS THAT:**

<sup>1</sup> Decrease from the requested increase. The minimum charge is reduced from the current rate by 8.1%.



**ORDINANCE NO. 467**

AN ORDINANCE OF THE CITY OF BLUE MOUND, TEXAS; AUTHORIZING THE ADOPTION OF A SETTLEMENT OF THE APPLICATION FOR AN INCREASE IN WATER AND SEWER RATES BY MONARCH UTILITIES I, L.P. NEGOTIATED BY REPRESENTATIVES OF THE COALITION OF CITIES, (INCLUDING THE CITIES OF BLUE MOUND, BUDA, IVANHOE AND KYLE), TAMER (ON BEHALF OF ENVIRONS CUSTOMERS), THE EXECUTIVE DIRECTOR OF THE TEXAS COMMISSION OF ENVIRONMENTAL QUALITY, MONARCH UTILITIES I, L.P., AND OTHER PARTIES WHO ARE EXPECTED TO JOIN IN ADOPTING THE PROPOSED SETTLEMENT; DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION WAS ADOPTED COMPLIED WITH THE TEXAS OPEN MEETINGS ACT; MAKING SUCH OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.

**WHEREAS**, on August 8, 2011 Monarch Utilities I, L.P. ("Monarch") filed a Statement of Intent with the City Secretary for the City of Blue Mound, Texas ("City") to increase water rates on a system-wide basis by 62.3% and sewer rates by 33%; and

**WHEREAS**, the settlement increases the revenue requirement for water on a system-wide basis by approximately 8.7% on June 1, 2012 and by approximately 4% on, January 1, 2013, but increases for many customers will involve much smaller increases due to an inverted rate design aimed at encouraging conservation; and

**WHEREAS**, settlement provides that there will be no increase in the revenue requirement for Monarch's sewer utility but there is a new rate design for residential sewer customers which lowers the base or minimum monthly charge and imposes a monthly volumetric charge to be applied to a three month winter average of water consumption; and

**WHEREAS**, for the first time since Monarch begin providing water service the base rate or minimum monthly charge will decrease for residential customers from the current monthly rate and customers using a small amount of water, 2000 gallons, will experience almost no increase in cost; and

**WHEREAS**, the settlement involves very substantial reductions for residential customers from the water rates requested by Monarch, for consumption after June 1, 2012 (phase 1), as follows:

ATTACHMENT  
C

Monarch Utilities I, L.P.

Water Tariff Page No. 2

SECTION 1.0 - RATE SCHEDULE

Section 1.01 - Rates

Rates Effective June 1, 2012

METER SIZE	MONTHLY MINIMUM RATE	GALLONAGE CHARGE
5/8"	\$39.95 (INCL. 0 GAL.)	\$5.50 per 1,000 gallons from 0 to 2,000 \$6.84 per 1,000 gallons from 2,001 to 20,000 \$9.00 per 1,000 gallons from 20,001 and thereafter
3/4"	\$59.93	
1"	\$99.88	
1 1/2"	\$199.75	
2"	\$319.60	
3"	\$599.25	
4"	\$998.75	
6"	\$1997.50	
8"	\$3196.00	

Rates Effective January 1, 2013

METER SIZE	MONTHLY MINIMUM RATE	GALLONAGE CHARGE
5/8"	\$39.95 (INCL. 0 GAL.)	\$6.05 per 1,000 gallons 0 to 2,000 \$7.45 per 1,000 gallons 2,001 to 10,000 \$8.45 per 1,000 gallons 10,001 to 20,000 \$9.00 per 1,000 gallons 20,001 and thereafter
3/4"	\$59.93	
1"	\$99.88	
1 1/2"	\$199.75	
2"	\$319.60	
3"	\$599.25	
4"	\$998.75	
6"	1997.50	
8"	3196.00	

FORM OF PAYMENT: The utility will accept the following forms of payment:

Cash X, Check X, Money Order X, MasterCard X, Visa X,  
 Electronic Fund Transfer X

THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS. AT THE CUSTOMER'S OPTION, ANY BILLING TRANSACTION OR COMMUNICATION MAY BE PERFORMED ON THE INTERNET. THIS INCLUDES THE UTILITY SENDING PAPERLESS BILLS BY EMAIL.

REGULATORY ASSESSMENT.....1.0%

TCEQ RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ON PERCENT OF THE RETAIL MONTHLY BILL

RATES LISTED ARE EFFECTIVE ONLY  
 IF THIS PAGE HAS TCEQ APPROVAL STAMP

TEXAS COMM. ON ENVIRONMENTAL QUALITY  
 37049-R, CCN 12983, JUNE 1, 2012  
 APPROVED TARIFF BY [Signature]

Liberty	Raywood	1460041	Raywood
Marion	Indian Hills Harbor	1580063	Indian Hills Harbor; Pine Harbor
	Pine Harbor	1580023	
Matagorda	Camelot Forest	1610058	Camelot Forest
Medina	Lake Medina Shores	100037	Holiday Villages of Medina, Lake Medina Shores, Wharton Dock, Lakeshore Beach
Montgomery	Crystal Springs	1700331	Crystal Springs; Champions Glen, Decker Hills, Hidden Lake Estates, Inverness Crossing, Park Place; Hilltop Village, Hulon Lakes (portions outside the City of Willis), Woodcreek Valley; Oak Woods; Pineloch, Serenity Woods
	Decker Hills	1700386	
	Hulon Lakes	1700014	
	Oak Woods	1700454	
	Serenity Woods	1700483	
Parker	Green Acres	1840120	Green Acres, Robertson Village; Spanish Park; Brazos Ridge Estates, Cedar Ridge (formerly Ruby Ridge), Western Lake Estates; Westview
	Spanish Park Estates	1840026	
	Western Lake Estates	1840014	
	Westview (Parker)	1840105	
Polk	Chesswood	1870088	Chesswood; Countrywood; Garden Acres; Phillips Acres; Pinwah Pines, Longhorn Valley
	Countrywood	1870138	
	Garden Acres	1870160	
	Longhorn Valley	1870152	
	Phillips Acres	1870146	
	Pinwah Pines	1870130	
San Jacinto	Bluewater Cove	2040059	Bluewater Cove; Cedar Valley; Coldspring Terrace; Governor's Point; Hidden Coves; Holiday Villages of Livingston, Palmetto Point; Shepherd Hills Estates, Shepherd Ranch Estates
	Cedar Valley	2040045	
	Coldspring Terrace	2040031	
	Governor's Point	2040008	
	Holiday Villages of Livingston	2040067	
	Shepherd Hill Estates	2040061	
Smith	Lakeway Harbor	2120064	Lakeway Harbor; Pine Trail Shores
	Pine Trail Shores	2120035	
Tarrant	Benbrook Hills	2200313	Benbrook Hills; Markum Ranch Estates; Silver Saddle; Cabot Estates, Gun Club Addition, Westside, Willow Creek Addition, Americana, Saginaw Park
	Markum Ranch Estates	2200281	
	Silver Saddle	2200299	
	Westside Addition	2200079	
	Blue Mound	2200005	
Trinity	Harbor Point	2280035	Harbor Point
Tyler	Ivanhoe	2290010	Ivanhoe Land of Lakes
Van Zandt	Callender Lake	2340007	Callender Lake, Hickory Hills
Wise	Aurora Vista	2490051	Aurora Vista*
Wood	Holiday Villages of Fork	2500058	Holiday Villages of Fork

\*This subdivision is within the corporate limits of the City of Aurora who has surrendered utility rate jurisdiction.

TEXAS COMM. ON ENVIRONMENTAL QUALITY  
 37049-R, CCN 12983, JUNE 1, 2012  
 APPROVED TARIFF BY *[Signature]*

Henderson	Beachwood Estates	1070069	Beachwood Estates, Brentwood Estates, Deep Water Estates, Forest Shores, Greenwood Cove, Hidden Harbor, Indian Oaks, Oak Forest Estates, Pebble Beach, Seis Hombres, Spillview Acres, Three-Way View, Treasure Isle, Waterboard; Briarwood Harbor; Camp Big Cedar; Bluffview, Brushy Creek, Bushwacker Estates, Carolyn Estates, Enclave, Esquire Estates II, Forest Glen Green Acres, Hidden Hills Harbor, Hillside Acres, Lynn Creek Cove, Michael's Cove, Payne Springs Estates, Pinnacle Club, The Highlands at Cedar Creek Lake; Allen Ranch, Carson Addition, Cherokee Shores, Coleman Tract, La Martinique, Landmark Passage, Manning Ranch, Robinson Tract (Country Estates), Taylor Tract, Waterfront Shores, Briarwood Bay, Diamond Head Bay, Coffee Landing Addition, Coffee City*, Fincastle Farms, Hillside Estates, Highsaw, Water Ridge; Cooper Estates, Lakeway, Oak Trail Shores, Shiloh, Waterwood, Westwood Beach, Wildewood, Lollipop Landing
	Briarwood Harbor	1070220	
	Carolynn Estates	1070106	
	Cherokee Shores	1070206	
	Highsaw	1070124	
	Lollipop Landing	1070039	
	Westwood Beach	1070085	
Hood	Acton (Royal Oaks)	1110055	Royal Oaks; Comanche Cove, Heritage Heights, Scenic View Estates; Comanche Harbor, Comanche Point, Island Village, Ports O' Call; 377 Sunset Strip, Granbury Acres; Hideaway Bay; Montego Bay, Arrowhead Shores, Lake Granbury Estates, Lake Granbury Harbor, Oak Trail Plaza, Oak Trail Shores; Rancho Brazos; Western Hills Harbor, Whisperview Village, Kings Plaza, Southtown Plaza
	Comanche Cove	1110060	
	Comanche Harbor	1110022	
	Granbury Acres	1110109	
	Hideaway Bay Estates	1110002	
	Montego Bay Estates	1110044	
	Oak Trail Shores	1110004	
	Rancho Brazos	1110036	
Western Hills Harbor	1110005		
Johnson	Crowley One Acre	1260011	Blue Grass Estates, Crowley One Acres, Highcrest Estates, Lakeview Ranchettes, Lakeside Estates, Skyline Ranch; Falcon Crest; Metroplex Homesteads, The Homesteads; Nolan River Estates; Misty Hollow, Ridgecrest; Southern Acres; Space Acres, Space Acres North, Sundance, X-Cell Ranch Estates; Tex-Rides Fifth; Triple H Estates; North Hills Estates, Rolling Acres, Twin Creeks (portions outside the City of Keene); West Meadows; West Park Village
	Falcon Crest Addition	1260076	
	Metroplex Homesteads	1260074	
	Nolan River Estates	1260099	
	Ridgecrest Estates (Johnson)	1260035	
	Southern Acres	1260094	
	Sundance Addition	1260025	
	Tex-Rides Fifth	1260037	
	Triple H Estates	1260116	
	Twin Creek Addition	1260038	
	West Meadows	1260063	
West Park Village	1260077		

\*This subdivision is within the corporate limits of Coffee City who has surrendered utility rate jurisdiction.

TEXAS COMM. ON ENVIRONMENTAL QUALITY  
 37049-R, CCN 12983, JUNE 1, 2012  
 APPROVED TARIFF BY *JR/HG*

County	Water Systems	PWS ID	Subdivisions
Bandera	Lake Medina Shores	0100037	Lake Medina Shores, Lakeshore Beach, Wharton Dock, Lake Point
Brazoria	Holiday Shores	0200029	Holiday Shores
Chambers	Tower Terrace	0360069	Houston Raceway Park, Tower Terrace, West Chambers County Estates
Denton	Denton Creek Estates	0610015	Aero Valley Airport, Denton Creek Estates; Ponderosa, Wild West Addition; Stonecrest Estates; Snug Harbor, Wynwood Haven Estates, Sunrise Circle Estates, Crescent Oaks Beach Estates
	Ponderosa Addition	0610175	
	Stonecrest Estates	0610059	
	Wynwood Haven Estates	0610037	
	Midway Water Utility	0610022	
Grayson	Ridgecrest (Grayson)	0910035	Glen Eden, Hiland Shores, Lakeview, Little Mineral Mobile Home Park, Millers Estates, Oak Estates, Preston Cove, Preston Forest, Preston Oaks, Preston Point Bend, Ridgecrest, Van Antwerp; Hanna Cove Estates, Hanna Ranchettes, Rocky Point Estates "A", Rocky Point Estates "B"; Cedar Mills Estates, Hillcrest Shores, Sherwood Shores, Wright Acres; Angler's Estates, Cambridge Shores, Cedar Oak Hills, Eagle Chase, Fairway Hollow, Greenway Bend, Highport, Lakecrest Village, Mill Creek Meadows, Mill Creek Homesites, Oak Meadow Estates, Paradise Cove, Russwood-on-the-Lake, Simmons Shores, Sunrise Circle, Tanglewood Hills, Tanglewood Resort
	Rocky Point Estates	0910038	
	Sherwood Shores	0910040	
	Tanglewood-on-TEXOMA	0910052	
Hays	Plum Creek	1050028	Bootstring Farms, Branch View Addition, Buda Business Park, Casey-Kyle, Double R, Dove Hill Estates, Goforth Estates, Green Pastures, Interstate Business Park, Kyle Crossing - Home Depot, Park South, Pinafore Park, Rolling Hills Estates, South Buda Business Park, Two Way, Village at Buda; River Oaks Ranch, Amberwood, Indian Paintbrush
	River Oaks Ranch	1050099	

TEXAS COMM. ON ENVIRONMENTAL QUALITY  
 37049-R, CCN 12983, JUNE 1, 2012  
 APPROVED TARIFF BY *[Signature]*

# WATER UTILITY TARIFF FOR

Monarch Utilities I. L.P.  
(Utility Name)

12535 Reed Rd.  
(Business Address)

Sugar Land, TX 77478-2837  
(City, State, Zip Code)

(281) 207-5800  
(Area Code/Telephone)

This tariff is effective for utility operations under the following Certificate of Convenience and Necessity:

12983

This tariff is effective in the following counties:

Bandera, Brazoria, Chambers, Denton, Grayson, Hays, Henderson, Hood, Johnson, Liberty, Marion, Matagorda, Medina, Montgomery, Parker, Polk, San Jacinto, Smith, Tarrant, Trinity, Tyler, Van Zandt, Wise, Wood

This tariff is effective in the following subdivisions and public water systems:

See attached list

## TABLE OF CONTENTS

The above utility lists the following sections of its tariff (if additional pages are needed for a section, all pages should be numbered consecutively):

SECTION 1.0	—	RATE SCHEDULE .....	2
SECTION 2.0	—	SERVICE RULES AND POLICIES .....	7
SECTION 2.12	—	SPECIFIC UTILITY SERVICE RULES AND REGULATIONS...	11
SECTION 3.0	—	EXTENSION POLICY .....	15
SECTION 3.02	—	SPECIFIC EXTENSION POLICY.....	16
SECTION 4.0	—	DROUGHT CONTINGENCY PLAN .....	28
APPENDIX A -- CONTRACT/APPLICATION FOR UTILITY SERVICE			
APPENDIX B -- AGREEMENT FOR TEMPORARY WATER SERVICE			

TEXAS COMM. ON ENVIRONMENTAL QUALITY  
37049-R, CCN 12983, JUNE 1, 2012  
APPROVED TARIFF BY [Signature]

ATTACHMENT  
B

10/28/2013 02:23

817-232-4435

BLUEMOUNDTX

PAGE 05

# ATTACHMENT A

Monarch Utilities  
Proposed Water Rates for Monarch Water Utilities in Blue Mound, Texas

Customer Charge	Deductions	Current Rate	Current Revenues	Proposed Rate	Proposed Revenues
5/8" Meter	268,840	\$ 39.95	\$ 10,740,158	\$ 28.37	\$ 7,626,034
3/4"	447	59.93	26,789	42.55	19,020
1"	1,993	99.88	199,061	70.92	141,336
1 - 1/2"	285	199.75	56,929	141.83	40,472
2"	1,183	319.60	378,087	276.93	268,460
3"	39	599.25	23,371	425.50	16,594
4"	33	998.75	32,959	709.16	23,402
6"	11	1,997.50	21,973	1,418.32	15,602
8"	-	3,196.00	-	2,269.32	-
<b>Total Customer Charge Revenues</b>			<b>\$ 11,479,325</b>		<b>\$ 8,150,870</b>
<b>Commodity Charge</b>					
0-2k Gallons	446,036	\$ 6.05	\$ 2,698,518	\$ 6.05	\$ 2,698,518
2k to 10k Gallons	676,976	7.45	5,049,471	9.08	6,143,557
10k to 20k Gallons	130,770	8.45	1,105,007	13.62	1,780,107
Over 20k Gallons	136,028	9.00	1,224,252	20.42	2,777,572
<b>Total Commodity Charge Revenues</b>			<b>\$ 10,071,248</b>		<b>\$ 13,399,708</b>
<b>Total Revenues</b>			<b>\$ 21,550,573</b>		<b>\$ 21,550,573</b>
<b>Average Customer Bills</b>					
5,000 Gallons		\$ 74.40		\$ 57.71	
Increase / (Decrease) (\$)				\$ (6.69)	
Increase / (Decrease) (%)				-8.99%	
10,000 gallons		\$ 111.65		\$ 113.11	
Increase / (Decrease) (\$)				\$ 1.46	
Increase / (Decrease) (%)				1.31%	
30,000 gallons		\$ 286.15		\$ 453.41	
Increase / (Decrease) (\$)				\$ 167.26	
Increase / (Decrease) (%)				58.45%	

**Section 5.** The proposed rates on Attachments A are the new rates adopted by this ordinance. The new rates for water will be effective on all meter reads after November 30, 2013.

**Section 6.** *Monarch shall file tariffs with the City Secretary consistent with this ordinance no later than the 5th day of November, 2013.*


**Section 7.** A copy of this ordinance shall be sent by the City Secretary to Mr. Chuck Profflet, President of Monarch Utilities I, L.P., 12535 Reed Road, Sugar Land, Texas 77478 by Federal Express and by fax to Mr. George Preitag, Rate/Regulatory Manager, Monarch Utilities I, L.P., at 281.207.5940.

**Section 8.** Notice was duly given pursuant to the Texas Public Information Act with regard to the subjects of this ordinance.

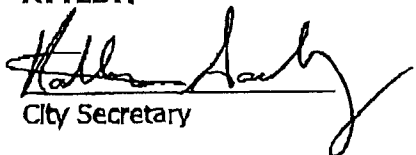
**Section 9.** The meeting at which this resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

**Section 10.** This ordinance shall become effective from and after its passage.

**PASSED AND APPROVED** this 22 day of October, 2013.

  
Mayor

**ATTEST:**

  
City Secretary



or customer charge does not promote conservation and makes it difficult for residents of modest means to pay their monthly bills; and

**WHEREAS**, municipal water and wastewater utilities, electric utilities, and gas utilities impose much lower monthly base or customer charges than what is levied by Monarch; and

**WHEREAS**, the current volumetric rates need to be adjusted to properly encourage conservation and the efficient use of water; and

**WHEREAS**, the relationship between a fixed monthly rate (base or customer charge) and volumetric rates is a matter of public policy well within the decision-making authority of the City Council.

**THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL FOR THE CITY OF BLUE MOUND, TEXAS THAT:**

**Section 1.** The findings set out in the preamble are in all things approved and incorporated herein as if fully set forth.

**Section 2.** The Statement of Intent filed by Monarch with the City Secretary on or about September 5, 2015 to change rates/tariffs is in all respects REJECTED and DENIED.

**Section 3.** The monthly minimum fixed charge for a typical water customer located within the City of Blue Mound is reduced as shown on Attachment A.

**Section 4.** For customers using 5,000 gallons of water or wastewater, the monthly rate is reduced by 8.99% for water, consistent with the policy goals of encouraging conservation and reducing the onerous rates imposed on customers of modest means.

**ORDINANCE NO. 483**

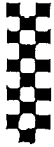
**AN ORDINANCE OF THE CITY OF BLUE MOUND, TEXAS ("CITY") DENYING THE RATE INCREASE PROPOSED BY MONARCH UTILITIES I, L.P. ("MONARCH") AND REDUCING THE CURRENT RATES FOR TYPICAL WATER AND SEWER CUSTOMERS AND MAKING CERTAIN OTHER CHANGES IN RATES; THE NEW RATES SHALL GO INTO EFFECT FOR ALL METER READS AFTER NOVEMBER 30, 2013 ; TARIFFS CONSISTENT WITH THIS ORDINANCE ARE TO BE SUBMITTED TO THE CITY SECRETARY NO LATER THAN NOVEMBER 5, 2013; PROVIDING FOR NOTICE PURSUANT TO THE PUBLIC INFORMATION ACT AND FOR COMPLIANCE PURSUANT TO THE OPEN MEETINGS ACT AND PROVIDING FOR AN EFFECTIVE DATE**

**WHEREAS**, the City of Blue Mound was supplied with an Application for a Water & Sewer Rate/Tariff Change on September 5, 2013 by Monarch, requesting an increase of 14.86% in water revenue and a 14.83% increase in sewer revenue; and

**WHEREAS**, the City Council for the City of Blue Mound met on September 17, 2013 and suspended the effective date for the implementation of the proposed increase in rates for ninety days; and

**WHEREAS**, Monarch recently raised water rates within the City of Blue Mound from its last rate case in two steps, the first increase was implemented with meter reads after June 1, 2012 and the second increase was implemented with meter reads after January 1, 2013; and

**WHEREAS**, the fixed monthly customer or base charge by Monarch of \$39.95 per month for water with no consumption and \$59.95 per month for sewer with no discharge is excessive when compared to utilities providing water and wastewater services at the same or better quality service within the immediate area. The high base



10/28/2013 02:23 817-232-4435

BLUEMOUND TX

PAGE 01

**CITY OF BLUE MOUND**  
PO BOX 164129  
FORT WORTH, TX 76161-4129  
PH (817)232-0663  
FAX (817)232-4435

# Fax

<b>To:</b> George Freitag	<b>From:</b> Kathryn Sanchez
<b>Fax:</b> 281-207-5940	<b>Date:</b> 10/28/13
<b>Phone:</b>	<b>Pages:</b> 4 (Excluding Cover Sheet)
<b>Re:</b> Blue Mound Ordinance 483	<b>CC:</b>

Urgent     For Review     Please Comment     Please Reply     Please Recycle

**Comments:**

Thank you,  
Kat Sanchez  
Blue Mound, City Secretary  
citysec@bluemoundtexas.us

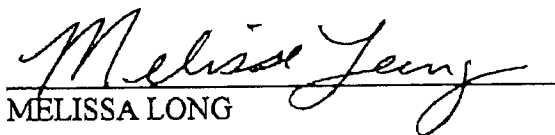
**ATTACHMENT**  
A

**CERTIFICATE OF SERVICE**

I hereby certify that on this 24th day of January, 2014, a true and correct copy of the foregoing document was transmitted by e-mail, fax, hand-delivery and/or regular, first class mail to the parties listed below:

Jim Boyle  
Herrera & Boyle, PLLC  
816 Congress Avenue, Suite 1250  
Austin, Texas 76701

Kathryn Sanchez, TRMC  
City Secretary  
City of Blue Mound, Texas  
301 South Blue Mound Road  
Blue Mound, Texas 76131

  
MELISSA LONG

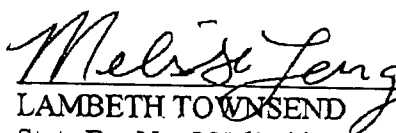
for those customers well in excess of the Settlement Rates and unreasonable hardship on all other customers facing larger surcharges. The City of Blue Mound's rates are unreasonably preferential and prejudicial and violate Texas Water Code, § 13.189. Therefore, Monarch requests that interim rates be set at Monarch's rates prior to the City of Blue Mound's action, the Settlement Rates with an effective date of December 1, 2013. Monarch requests a surcharge or bill credit for each customer account since the effective date.

**V. Prayer**

Monarch respectfully requests that the Commission enter an order granting Monarch's petition for review and setting interim rates. Additionally, Monarch respectfully requests that upon final hearing, Monarch be granted the rate relief as requested in its Application. Monarch also requests any such further relief to which it may be entitled.

Respectfully submitted,

LLOYD, GOSSELINK,  
ROCHELLE & TOWNSEND, P.C.  
816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5830  
Facsimile: (512) 472-0532



LAMBETH TOWNSEND  
State Bar No. 20167500

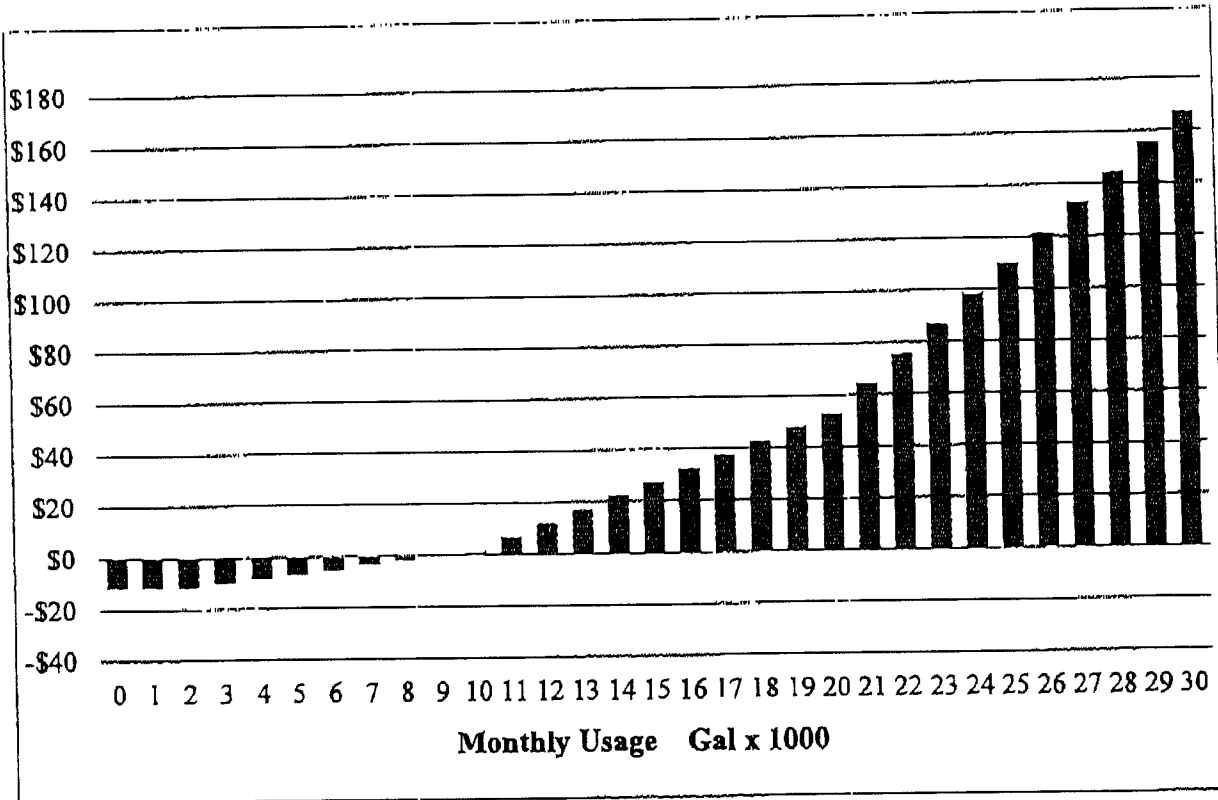
MELISSA A. LONG  
State Bar No. 24063949

MARK ZEPPA  
Law Office of Mark H. Zeppa, PC  
4833 Spicewood Springs Road, Suite 202  
Austin, Texas 78759  
State Bar No. 22260100

ATTORNEYS FOR  
MONARCH UTILITIES I, L.P.

The table below depicts the difference in monthly bills for various usage levels between the rates set by Blue Mound and the Settlement Rates for residential customers.

**DIFFERENCE BETWEEN SETTLEMENT AND NEW RATES - RESIDENTIAL**



Also, these lower rates will subject almost all customers to a greater impact in the future because of the size of the potential surcharge after a final decision by the TCEQ. If the TCEQ grants Monarch's rate increase dating back to the December 1, 2013 effective date of the City's reduced rates, customers will face a surcharge not only for the difference between the TCEQ approved rates and Monarch's Settlement Rates, but also for the additional amount the City reduced rates below the Settlement Rates. This additional harm to the customers can be avoided by setting interim rates at the Settlement Rates.

The rate change imposed by the City of Blue Mound places an unreasonable hardship on Monarch's customers that should be avoided and could result in unjust and unreasonable rates

In City of Blue Mound Ordinance No. 467 (May 15, 2012), the City Council of the City of Blue Mound adopted the Settlement Agreement reached in TCEQ Docket No. 2011-1280-UCR (Attachment C). In passing the Ordinance that is the subject of this appeal, the City of Blue Mound has changed rates effective on all meter reads after November 30, 2013. Although the Ordinance reduces the customer charge, the Ordinance increases the rates for the gallonage tiers for 2,000 to 10,000 gallons from \$7.45 to \$9.08, 10,000 to 20,000 gallons from \$8.45 to \$13.61, and over 20,000 gallons from \$9.00 to \$20.42.

As a result, of these increased charges in the higher usage tiers, customers that are larger users will actually be paying higher rates than they were paying under the Settlement Rates agreed upon by Blue Mound in May 2012. Residential customers using more than approximately 9,100 gallons per month will pay more as a result of the higher rates being imposed on the higher tiers. Based on October usage levels, Monarch's five highest volume commercial accounts in Blue Mound will see their bills increase between 35% and 108%, resulting in increases ranging from \$166.60 to \$1,137.96 on those accounts' monthly bills. For example Eagle Mountain - Saginaw Independent School District ("ISD") will see the monthly bill for one of its accounts' increase by approximately 54% or \$463.03. The table below shows the bill impact for five Monarch's largest users in Blue Mound based on October 2013 usages.

Customer	Asset Type	Pipe Size	October Usage	Bill at Settlement Rates	Bill at New Rates	Increase from Settlement Rates to New Rates	Percent Increase
1	Commercial	5/8"	115 KGL	\$1,051.15	\$2,189.11	\$1,137.96	108%
Eagle Mountain-Saginaw ISD	Commercial	2"	63 KGL	\$862.80	\$1,325.83	\$463.03	54%
Eagle Mountain-Saginaw ISD	Irrigation	1 1/2"	36 KGL	\$499.95	\$689.39	\$189.44	38%
Eagle Mountain-Saginaw ISD	Commercial	2"	44 KGL	\$691.80	\$937.85	\$246.05	36%
5	Commercial	1 1/2"	34 KGL	\$481.95	\$648.55	\$166.60	35%

Commission has the authority to set interim rates during the pendency of a rate case pursuant to Texas Water Code § 13.187.

**III. Appeal of City of Blue Mound's Ordinance Denying the Application and Setting New Rates**

The City Council for the City of Blue Mound suspended the effective date for the implementation of Monarch's rate increase on September 17, 2013. Subsequently, the City Council for the City of Blue Mound passed Ordinance No. 483 denying Monarch's application and changing Monarch's existing rates on October 22, 2013. In its ordinance, the City decreased some of Monarch's rates and increased others (the "New Rates"). Monarch hereby appeals that ordinance (action). Monarch received notice of the City's action on October 28, 2013 via fax, a copy of which is included as Attachment A. This appeal is timely filed within 90 days of receipt of that notice.<sup>1</sup>

**IV. Motion for Interim Rates**

During the pendency of a rate proceeding, the TCEQ has the authority to set interim rates under Texas Water Code. § 13.187. Pursuant to 30 Tex. Admin. Code § 291.29(d), interim rates may be established in cases where "the proposed increase in rates could result in an unreasonable economic hardship on the utility's customers, unjust or unreasonable rates, or failure to set interim rates could result in an unreasonable economic hardship on the utility." Monarch requests that the TCEQ set interim rates at the level prior to the City's action, which are the rates that were approved by the City Council in a settlement agreement in Monarch's last rate case ("Settlement Rates"). The relevant portion of the tariffs for the Settlement Rates for customers inside the City of Blue Mound are included as Attachment B.

<sup>1</sup> Tex. Water Code § 13.043(a).



TCEQ DOCKET NO. \_\_\_\_\_

APPEAL OF THE CITY OF BLUE  
MOUND'S DECISION CONCERNING  
THE APPLICATION OF MONARCH  
UTILITIES I, L.P. FOR A  
RATE/TARIFF CHANGE WITHIN THE  
CITY LIMITS OF THE CITY OF BLUE  
MOUND

§  
§  
§  
§  
§  
§  
§

BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

CHIEF CLERKS OFFICE

2014 JAN 27 AM 8:17

TEXAS  
COMMISSION  
ON ENVIRONMENTAL  
QUALITY

**MONARCH UTILITIES I, L.P.'S PETITION FOR REVIEW OF  
MUNICIPAL RATE ORDINANCE AND MOTION FOR INTERIM RATES**

Monarch Utilities I, L.P. ("Monarch" or "Company") hereby appeals the rate decision of the City of Blue Mound ("Blue Mound") denying Monarch's Application for a Rate/Tariff Change and changing Monarch's existing rates. Monarch also requests interim rates for customers inside the city of Blue Mound. This appeal of Blue Mound's rate ordinance and motion for interim rates is filed pursuant to Sections 13.043 and 13.187 of the Texas Water Code.

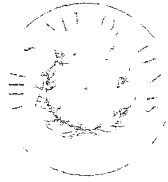
**I. Monarch's Pending Rate Change Applications**

On September 3, 2013, Monarch filed an Application for a water and sewer Rate/Tariff Change with the Texas Commission on Environmental Quality ("TCEQ" or "Commission") to increase rates in areas over which the TCEQ has original jurisdiction. The application was assigned Application Nos. 37714-R and 37715-R. On September 3, 2013, Monarch also filed applications in cities with original jurisdiction over Monarch's rates within their city limits, including the City of Blue Mound.

**II. TCEQ Jurisdiction**

The Commission has exclusive appellate jurisdiction over this appeal of an ordinance and decision of a municipality pursuant to Texas Water Code §§ 13.042 and 13.043. The

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



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

May 13, 2014

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

Re: Docket No. 2014-0596-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 Blue Mound in Tarrant County,  
Application No. 37841-A

Docket No. 2014-0596-UCR; Petition filed by Monarch Utilities  
I, LP from the Ratemaking Actions and Motion for Immediate Interim Sewer  
Rate Relief and Consolidation of the City of Blue Mound in Tarrant County,  
Application No. 37844-A

CN: 602740706; RN: 102904596 (water) 102904620 (sewer)


Dear Mr. Townsend:

The above referenced petitions which were received by the Texas Commission on Environmental Quality on January 29, 2014, have been accepted for filing. The petitions have been assigned TCEQ Docket Nos. 2014-0596-UCR, respectively for Application Nos. 37841-A and 37844-A, respectively. Please refer all further communications regarding this petition to this docket number.

The petitions are 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.

If you have any questions, please contact Mr. Fred Bednarski at (512) 239-4758 or Ms. Heidi Graham at (512) 239-0844 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  
Texas Commission on Environmental Quality

TB/LG/mmg

cc: Attached Mailing List

P.O. Box 13087 • Austin, Texas 78711-3087 • 512-239-1000 • [tceq.texas.gov](http://tceq.texas.gov)

Mailing List for TCEQ Docket No. 2014-0596-UCR  
(Application Nos. 37841-A and 37844-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. Mark H. Zeppa, Attorney  
Law Offices of Mark H. Zeppa, PC  
4833 Spicewood Springs Road #202  
Austin, Texas 78759

Representing: Monarch Utilities I, L.P.

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

Mayor Alan Hooks  
City of Blue Mound  
PO Box 164129  
Fort Worth, Texas 76161

Ms. Kathryn Sanchez, City Secretary  
City of Blue Mound  
PO Box 164129  
Fort Worth, Texas 76161

Mr. Jim Boyle, Attorney  
Herrera & Boyle, PLLC  
816 Congress Avenue, Suite 1250  
Austin, TX 78701

Representing: City of Blue Mound

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

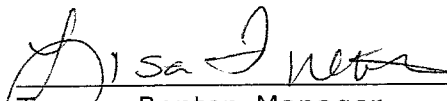
The petitions were received in the Utilities and Districts Section of the Texas Commission on Environmental Quality on January 29, 2014. The petitioner is an investor-owned, retail public water and sewer utility. The petitioner received notice of the rate making actions by the City of Blue Mound denying a water and sewer rate change inside the City on October 28, 2013. 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

Financial - Fred Bednarski

Legal -

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

  
\_\_\_\_\_  
Tammy Benter, Manager

TB/LG/mmg

# TCEQ Interoffice Memorandum

TO: Bridget C. Bohac, Chief Clerk

THRU: *5/1/14*  
*[Signature]* Tammy Benter, Manager  
Utilities & Districts Section  
Water Supply Division

*[Signature]*  
*11/30/13* Lisa Fuentes, Team Leader  
Utilities Financial Review Team  
Water Supply Division

*[Signature]*  
*[Signature]* Vera Poe, P.E., Team Leader  
Utilities Technical Review Team  
Water Supply Division

FROM: Fred Bednarski, Auditor *[Signature]*  
Utilities Financial Review Team  
Water Supply Division

Heidi Graham, E.I.T., Staff Engineer *[Signature]*  
Utilities Technical Review Team  
Water Supply Division

DATE: April 29, 2014

SUBJECT: Docket No. 2014-0596-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 Blue Mound in Tarrant County, Application No. 37841-A

Docket No. 2014-0596-UCR; Petition filed by Monarch Utilities I, LP from the Ratemaking Actions and Motion for Immediate Interim Sewer Rate Relief and Consolidation of the City of Blue Mound in Tarrant County, Application No. 37844-A

CN: 602740706; RN: 102904596 (water) 102904620 (sewer)

We hereby transfer the official file for the above referenced applications to the Chief Clerk's Office. Please refer these applications 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 Blue Mound.

CHIEF CLERKS OFFICE

2014 MAY 22 PM 2:37

TEXAS  
COMMISSION  
ON ENVIRONMENTAL  
QUALITY


The petitions were received in the Utilities and Districts Section of the Texas Commission on Environmental Quality on January 29, 2014. The petitioner is an investor-owned, retail public water and sewer utility. The petitioner received notice of the rate making actions by the City of Blue Mound denying a water and sewer rate change inside the City on October 28, 2013. 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

Financial - Fred Bednarski

Legal -

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

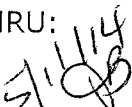
  
\_\_\_\_\_  
Tammy Benter, Manager


TB/LG/mmg


## TCEQ Interoffice Memorandum

---

TO: Bridget C. Bohac, Chief Clerk

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

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

 Vera Poe, P.E., Team Leader  
Utilities Technical Review Team  
Water Supply Division

FROM: Fred Bednarski, Auditor   
Utilities Financial Review Team  
Water Supply Division

Heidi Graham, E.I.T., Staff Engineer   
Utilities Technical Review Team  
Water Supply Division

DATE: April 29, 2014

SUBJECT: Docket No. 2014-0596-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 Blue Mound in Tarrant County, Application No. 37841-A

Docket No. 2014-0596-UCR; Petition filed by Monarch Utilities I, LP from the Ratemaking Actions and Motion for Immediate Interim Sewer Rate Relief and Consolidation of the City of Blue Mound in Tarrant County, Application No. 37844-A

CN: 602740706; RN: 102904596 (water) 102904620 (sewer)

We hereby transfer the official file for the above referenced applications to the Chief Clerk's Office. Please refer these applications 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 Blue Mound.

Mailing List for TCEQ Docket No. 2014-0596-UCR  
(Application Nos. 37841-A and 37844-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. Mark H. Zeppa, Attorney  
Law Offices of Mark H. Zeppa, PC  
4833 Spicewood Springs Road #202  
Austin, Texas 78759

Representing: Monarch Utilities I, L.P.

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

Mayor Alan Hooks  
City of Blue Mound  
PO Box 164129  
Fort Worth, Texas 76161

Ms. Kathryn Sanchez, City Secretary  
City of Blue Mound  
PO Box 164129  
Fort Worth, Texas 76161

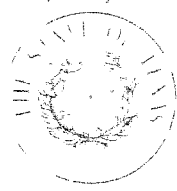
Mr. Jim Boyle, Attorney  
Herrera & Boyle, PLLC  
816 Congress Avenue, Suite 1250  
Austin, TX 78701

Representing: City of Blue Mound

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



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



# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

May 13, 2014

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

Re: Docket No. 2014-0596-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 Blue Mound in Tarrant County,  
Application No. 37841-A

Docket No. 2014-0596-UCR; Petition filed by Monarch Utilities  
I, LP from the Ratemaking Actions and Motion for Immediate Interim Sewer  
Rate Relief and Consolidation of the City of Blue Mound in Tarrant County,  
Application No. 37844-A

CN: 602740706; RN: 102904596 (water) 102904620 (sewer)

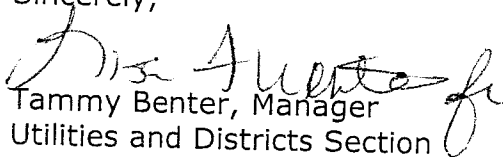
Dear Mr. Townsend:

The above referenced petitions which were received by the Texas Commission on Environmental Quality on January 29, 2014, have been accepted for filing. The petitions have been assigned TCEQ Docket Nos. 2014-0596-UCR, respectively for Application Nos. 37841-A and 37844-A, respectively. Please refer all further communications regarding this petition to this docket number.

The petitions are 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.

If you have any questions, please contact Mr. Fred Bednarski at (512) 239-4758 or Ms. Heidi Graham at (512) 239-0844 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  
Texas Commission on Environmental Quality

TB/LG/mmg

cc: Attached Mailing List

P.O. Box 13087 • Austin, Texas 78711-3087 • 512-239-1000 • [tceq.texas.gov](http://tceq.texas.gov)

How is our customer service? [tceq.texas.gov/customer survey](http://tceq.texas.gov/customer survey)

TEXAS  
COMMISSION  
ON ENVIRONMENTAL  
QUALITY  
2014 MAY 22 PM 3:36  
CHIEF CLERK/ED/ICE

**Katha Anderson**

---

**From:** Katha Anderson  
**Sent:** Monday, April 28, 2014 12:11 PM  
**To:** docketing@soah.state.tx.us  
**Subject:** 2014-0413-UCR dkt request  
**Attachments:** Referral2014-0413-UCR.pdf; 2014-0413-UCR dkt request.docx