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PUBLIC UTILITY COMMISSION
FILING CLERK

January 14, 2015

VIA HAND DELIVERY

Brian H. Lloyd
Executive Director
Public Utility Commission of Texas
P.O. Box 13326
Austin, Texas 78711-3326

RE: Request for Emergency Order to Obtain Water Service from Sunbelt Fresh Water Supply District pursuant to 16 TAC 24.14

Dear Mr. Lloyd:

This letter serves as the request of Yes Prep Public Schools ("YES Prep") for the Public Utility Commission of Texas ("PUC") to issue an emergency order pursuant to 16 Texas Administrative Code 24.14 to enable Prep's charter school campus in Aldine ("YES Prep North Central Campus") to receive emergency water service from Sunbelt Fresh Water Supply District ("Sunbelt FWSD"). I am providing you with this letter request in my capacity as an attorney for Yes Prep.

Yes Prep's North Central Campus is located within the retail water certificate of convenience and necessity service area of Suburban Water Company and the YES Prep North Central Campus has suffered numerous and significant water problems for some time. The water problems include multiple water shutoffs that have intensified over the last three (3) months. The enclosed Houston Chronicle article provides more examples of the water problems the YES Prep North Central Campus has experienced with the water service provided by Suburban Water Company.

In order to protect the health and well-being of the over one thousand (1000) students and faculty that attend and work at the Aldine Campus, YES Prep requests that the PUC immediately issue an emergency order to enable YES Prep to obtain the necessary water service the North Central Campus needs from Sunbelt FWSD. Currently, the North Central Campus has a five (5) inch water line that provides an interconnection to the water distribution system of Sunbelt FWSD and the North Central Campus can receive water service through this five inch water line.

YES Prep would ask for the PUC to issue this emergency order without a hearing as the provisions of 16 TAC 24.14 allow.

Thank you for the consideration of this important request. Please contact me at (512) 322-5829 or tembrey@lglawfirm.com with any questions you may have.

Brian Lloyd
Public Utility Commission of Texas
January 14, 2015
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Sincerely,

A handwritten signature in black ink, appearing to read "Ty H. Embrey", with a stylized flourish at the end.

Ty H. Embrey

CC: Nicole Montgomery, General Counsel, Yes Prep Public Schools

Enclosure

HOUSTON

HOUSTON

Poor water service forces Aldine charter school to flush toilets with buckets

chool forced to flush toilets with buckets in midst of lengthy dispute

y Ericka Mellon | November 16, 2014

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Image 1 out of 2

Cody Duty/Staff

Operations Manager Matt Hansen says YES Prep North Central spends about \$300 on bottled water every day the school's water goes out

Dozens of five-gallon water jugs and cases of bottled water fill a closet at the YES Prep charter school in Aldine. It's the emergency stash for when the water shuts off unexpectedly for hours, a persistent problem over the last year and a half, school officials say.

To flush the toilets, students and staff have to pour in water from buckets. Hand sanitizer follows. Teachers, on their off periods, escape to a fast-food joint to use the restroom. In the modest homes nearby, also affected by repeated service interruptions, residents put off showers and laundry and cook with their own bottled stashes.

In this unincorporated area of Harris County, there's no governmental entity that provides water, no city councilman to hold accountable for problems. Instead, water here is provided by a private company, Suburban Utility, which has been cited numerous times by state regulators for insufficient equipment

More than 500 for-profit water companies operate across Texas. When their equipment ages or breaks, they can't levy taxes or ask voters to approve a bond issue. In the case of Suburban Utility, the firm is seeking to charge customers an extra \$60 a month to improve its infrastructure, but the state has not approved the surcharge. The Texas Commission on Environmental Quality called the fee an unjust burden on hundreds of poor families and blamed the company for "a history of mismanagement," public records show.

The disputed case over the proposed rate hike is pending before the Public Utility Commission. The Texas Attorney General's Office recently filed a lawsuit against Suburban Utility on behalf of the state environmental agency, seeking fines that may top \$1 million and mandatory fixes including installing more wells to increase capacity.

Debate with state

Attorney Les Romo, who represents Suburban Utility, said the problem is not the company's management but state regulations that make it hard for a private entity to raise its rates or secure a loan from the Texas Water Development Board.

"The state has always let it be known that they don't like private entities," Romo said. "(The company owners) want to make some improvements. You can only fix what you can afford to fix."

The debate means little to the students and staff at YES Prep's North Central campus, which had no water service or low pressure and had to boil water for possible contaminants for three straight days this month, school leaders said.

"We're at the mercy of bureaucracy and regulatory agencies," said Charles Klein, director of facilities for YES Prep.

Over the last 15 months, Klein said, the campus faced significant water problems during school hours at least 20 times. On a couple of bad days, school leaders told students to stay home.

Help from neighbor

Every time the water goes out, the school spends about \$300 on bottled water, said Matt Hansen, operations manager. To fill the five-gallon jugs for the toilet water, the school has had help from a sympathetic neighboring business, Texas Energy Laboratories, which has a different water provider. The company allows school employees to stretch a hose across a field, and they load jugs onto a dolly.

On days with no water, the school keeps open only one restroom for boys, one for girls and one single stall. That leaves about 950 middle and high school students and 85 employees vying for eight stalls.

Teachers stand outside with buckets to empty into the toilets after each student exits.

"Even when I go to Mexico, I don't have to do that," said Alondra Cortez, an eighth-grader.

Emily Gaona, a senior, said it's hard to concentrate in class during water outages.



HOUSTON

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"When the water's out, I'm focused on that," she said. "I'm angry."

'It's been a headache'

The interruptions have become so frustrating, said YES spokeswoman Trisha Cornwell, that school officials have started asking, "Are we going to spend money to drill our own well?"

"We believe all students should have an opportunity for an equal education," said Michelle LaFlure, principal of YES Prep North Central. "When we have to focus on basic needs like water, it's taking the administration away from supporting teachers - who have the most direct impact on students."

The nearby Aldine Independent School District has a couple of its own wells but "it's been a headache," said spokeswoman Leticia Fehling. Some campuses get water from a municipal-utility district, which has an elected board and taxing power, while others fall within the city of Houston for service.

Gaby Escalante, who lives near YES Prep in the Castlewood neighborhood, also serviced by Suburban Utility, said the water problems have worsened in the last year, with poor pressure or outages about once a week recently

Taking precautions

She now tells her two children, aged 10 and 13, to shower at night in case nothing drips out in the mornings before school. She drives about 15 minutes to her mom's house in the city to use the washing machine.

"Dishes, they start piling up," she said.

State lawmakers, trying to improve oversight of water utilities, passed a bill last session to move some authority from the Texas Commission on Environmental Quality to the Public Utility Commission. The switch took effect in September.

"Best I can tell, the laws in place can work. We just need stronger enforcements," said Democratic state Sen Sylvia Garcia, a former Harris County commissioner whose district includes Aldine. "We need to make sure we can hold companies like these accountable."

State Rep. Armando Walle, who also represents the area, said the state needs to speed up the process for taking action against poor-performing companies. Records from the state environmental agency cite Suburban for violating standards dating back to at least 2003.

"We're a prosperous region," Walle said. "It's unfathomable to have people in substandard living conditions."



Ericka Mellon

Reporter Houston Chronicle

PHOTO BY ERICKA MELLON

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