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PUC DOCKET NO. 45570
SOAH DOCKET NO. 473-16-2873.WS 7/16/2016 10:52

APPLICATION OF MONARCH § BEFORE THE STATE OFFICE
UTILITIES I, L.P. TO CHANGE RATES § OF
FOR WATER AND SEWER SERVICE § ADMINISTRATIVE HEARINGS

MONARCH UTILITIES I, L.P.'S SUSPENSION OF EFFECTIVE DATE OF PROPOSED RATE INCREASE AND ERRATA NOTICE

Monarch Utilities I, L.P., ("Monarch") files the attached Affidavit of George Freitag, which attests that the Suspension of Effective Date of Proposed Rate Increase and Errata Notice was sent to all customers affected by Monarch's rate Increase and states as follows;

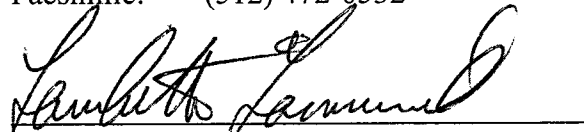
Monarch filed a Rate Filing Package on February 29, 2016 with the Public Utility Commission of Texas, which included a copy of the required Notice to be sent to customers and other affected parties. Monarch mailed notice to all customers and affected municipalities on February 29, 2016, as required by 16 Tex. Admin. Code § 24.22(c)(1). On March 15, 2016 Staff filed its Comments on Monarch's Notice, and determined that Monarch listed incorrect existing water rates for ratepayers that use 30,000 gallons or more per month. Staff then recommended that Monarch be required to send revised notice that lists the correct existing water rates for ratepayers that use 30,000 gallons or more per month, on or before April 7, 2016. In State Office of Administrative Hearings Order No. 2, "Memorializing Prehearing Conference; Granting Intervention Requests; Establishing Procedural Schedule And Deadlines For Action; And Notice Of Mandatory Settlement Conference And Hearing On The Merits," it was ordered that Monarch deliver to its customers the errata notice requested by Staff, on or before April 7, 2016, and that Monarch provide an affidavit of notice when the customer notification process was complete. Thus, Monarch submits this Affidavit of George Freitag, which includes the attached copy of the

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Suspension of Effective Date of Proposed Rate Increase and Errata Notice, and confirms that the notice was timely mailed in compliance with SOAH Order No.2.

Respectfully submitted,

**LLOYD, GOSSELINK,
ROCHELLE & TOWNSEND, P.C.**
816 Congress Avenue, Suite 1900.
Austin, Texas 78701
Telephone: (512) 322-5800
Facsimile: (512) 472-0532



LAMBETH TOWNSEND
State Bar No. 20167500

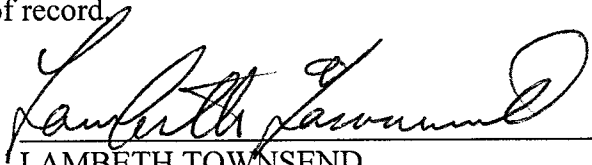
GEORGIA N. CRUMP
State Bar No. 05185500

WILLIAM A. FAULK, III
State Bar No. 24075674

ATTORNEYS FOR MONARCH UTILITIES I, LP

CERTIFICATE OF SERVICE

I hereby certify that on this 11th day of April, 2016, a true and correct copy of the foregoing document has been sent via facsimile, certified mail, return receipt requested, first class mail, or hand-delivered to all parties of record.



LAMBETH TOWNSEND

AFFIDAVIT OF GEORGE FREITAG

STATE OF TEXAS)
)
COUNTY OF TRAVIS)

BEFORE ME, the undersigned authority, on this day personally appeared George Freitag who being by me first duly sworn, on oath deposed and said the following:

1. My name is George Freitag. I am over the age of 18 and am otherwise competent to make this affidavit. I am employed by SouthWest Water Company (“SouthWest”), parent company of Monarch Utilities I, LP (“Monarch”), as the Texas Regulatory Manager. I am responsible for preparing and monitoring certain regulatory filings for all of SouthWest’s regulated utilities in Texas. These include filings before the Public Utility Commission of Texas (“Commission”). I am qualified and authorized to file this affidavit. I have personal knowledge of the facts stated herein and those facts are true and correct.
2. Monarch has provided the “Suspension of Effective Date of Proposed Rate Increase and Errata Notice” to all customers affected by Monarch’s rate increase, either by bill enclosure or individual mailing on or before April 7, 2016. A true and correct copy of the “Suspension of Effective Date of Proposed Rate Increase and Errata Notice” is attached to my affidavit as Exhibit “A.”
3. This affidavit is in compliance with the requirement in State Office of Administrative Hearings Order No. 2, “Memorializing Prehearing Conference; Granting Intervention Requests; Establishing Procedural Schedule And Deadlines For Action; And Notice Of Mandatory Settlement Conference And Hearing On

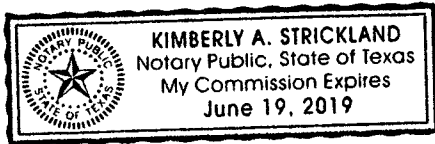
The Merits," that Monarch provide an affidavit of notice when the customer notification process was complete.


FURTHER AFFIANT SAYETH NOT.



GEORGE FREITAG

SUBSCRIBED AND SWORN TO before me this 11 day of April, 2016.





Notary Public, State of Texas



**EXHIBIT
A**



**SUSPENSION OF EFFECTIVE DATE OF PROPOSED RATE INCREASE
AND
ERRATA NOTICE**

On February 29, 2016, Monarch Utilities I, L.P. mailed you a notice of water and sewer rate/tariff change application. Monarch indicated that the effective date of the Phase I rates will be at least 35 days after required notice in compliance with Public Utility Commission ("Commission") rules at 16 Texas Administrative Code § 24.22(c)(1), which would allow for an effective date of Phase I rates of April 4, 2016. The Commission referred Monarch's application to the State Office of Administrative Hearings ("SOAH") to conduct a hearing. On March 10, 2016, the SOAH Administrative Law Judges issued an order suspending the proposed effective date of Phase I rates for 150 days pursuant to 16 Texas Administrative Code § 24.26(a)(l).

Additionally, it has been determined that the notice contained incorrect amounts for monthly bills at current rates for water usage of 30,000 gallons per month. The corrected amounts are shown in the table below, along with a comparison of the monthly bills for usage at 30,000 gallons for the three proposed phased rate increases. There is no change in the previously noticed proposed rate increases.

CORRECTED TOTALS: Monthly Bills at 30,000 gallons usage

Meter Size	Noticed Bill at Current Rates - Incorrect	Bill at Current Rates - Correct	Phase 1	Phase 2	Phase 3
5/8"	\$ 324.05	\$ 324.05	\$ 371.04	\$ 375.07	\$ 379.20
3/4"	\$ 391.89	\$ 346.66	\$ 396.94	\$ 401.24	\$ 405.66
1"	\$ 504.96	\$ 391.89	\$ 448.72	\$ 453.59	\$ 458.58
1 1/2"	\$ 731.10	\$ 504.96	\$ 578.18	\$ 584.46	\$ 590.88
2"	\$ 1,092.92	\$ 640.64	\$ 733.53	\$ 741.51	\$ 749.64
3"	\$ 1,771.33	\$ 957.23	\$ 1,096.01	\$ 1,107.95	\$ 1,120.08
4"	\$ 2,902.01	\$ 1,409.50	\$ 1,613.84	\$ 1,631.43	\$ 1,649.28
6"	\$ 5,163.38	\$ 2,540.19	\$ 2,908.43	\$ 2,940.15	\$ 2,972.28
8"	\$ 8,781.56	\$ 3,897.00	\$ 4,461.93	\$ 4,510.61	\$ 4,559.88