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APPLICATION OF SOUTHWEST
LIQUIDS, INC. FOR AUTHORITY TO
CHANGE RATES

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PUBLIC UTILITY COMMISSION
FILING CLERK
OF TEXAS

**LA VENTANA RANCH OWNERS ASSOCIATION'S
CORRECTIONS AND EXCEPTIONS TO THE PROPOSED ORDER**

COMES NOW, La Ventana Ranch Owners Association, Inc. ("La Ventana"), and files these corrections and exceptions to the Proposed Order dated January 22, 2019.

La Ventana is concerned that the Proposed Order fails to adequately recognize and memorialize the Stipulation and Settlement Agreement entered into by the parties in this proceeding. Accordingly, La Ventana requests that the following changes be made the Proposed Order:

Additional Finding of Fact in "Agreement" Section:

____. Southwest Liquids committed to certain written customer commitments and agreed they may be used by the Commission in determining the appropriate rate of return in a future rate case pursuant to 16 Texas Administrative Code (TAC) § 24.41(c)(1)(A).

La Ventana requests that this finding of fact be added to the Final Order to recognize that Southwest Liquids agreed to certain customer service commitments in the Stipulation and Settlement Agreement and that Southwest Liquids agreed that its failure to abide by the customer service commitments may be used against it in a future rate case. La Ventana is not asking that the Commission endorse the customer service commitments or undertake any obligation to enforce the commitments. La Ventana merely wants the Commission to acknowledge the agreement between the parties.

La Ventana is concerned that the failure to include this language in the Final Order could lead to a negative inference -- that the Commission has concluded that Southwest Liquids' failure to abide by the commitments may not be used by the Commission in determining the appropriate rate of return in a future rate case. Through the Stipulation and Settlement Agreement, La Ventana agreed to rates higher than La Ventana thought justified by Southwest Liquids' application. La

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Ventana's agreement was based, in part, on Southwest Liquids' commitments to improve customers service.

The ratepayers are willing to pay more for better service, and they negotiated the Stipulation and Settlement Agreement as a mechanism to encourage Southwest Liquids to improve service through customer commitments. The ratepayers are concerned that Southwest Liquids may use the omission of any acknowledgement of the commitments in the Order to avoid complying with the agreement.¹ While recognizing that the Commission might not want to enforce the commitments, La Ventana is hopeful that the Commission will at least acknowledge that any failure by Southwest Liquids to comply with the agreement could, at least, be raised in a future rate case for the purpose of demonstrating "the quality of the utility's services" or "the quality of the utility's management."

ACCORDINGLY, La Ventana respectfully requests that Commission amend the Proposed Order as suggested herein.

Respectfully submitted,



C. Joe Freeland
State Bar No. 07417500

Benjamin Mathews
State Bar No. 24086987

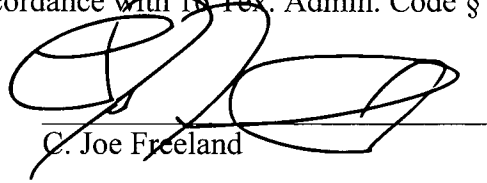
Mathews & Freeland, LLP
8140 N. MoPac Expy
Ste. 2-260
Austin, Texas 78759
Telephone (512) 404-7800
Facsimile (512) 703-2785
Email: jfreeland@mandf.com

ATTORNEYS FOR LA VENTANA RANCH
OWNERS ASSOCIATION, INC.

¹ Southwest Liquids is currently deficient in its compliance with the agreement, but the ratepayers are willing to continue to work with the utility to obtain better service.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served on all parties of record on January 31, 2019, in accordance with 16 Tex. Admin. Code § 22.74.



C. Joe Freeland