

Control Number: 48056



Item Number: 8

Addendum StartPage: 0

RECEIVED

2018 APR 26 PM 1: 45

PUBLIC FILING CLERK

OPEN MEETING COVER SHEET COMMISSIONER MEMORANDUM

MEETING DATE:

April 27, 2018

DATE DELIVERED:

April 26, 2018

AGENDA ITEM NO.:

24

CAPTION:

Docket No. 48056 - Agreed Settlement and

Report to Commission Relating to

Commission Staff's Investigation of Sunny Quest, LLC d/b/a Shalimar Apartments Regarding 16 TAC §§ 24.122, 24.123,

24.124, and 24.125

ACTION REQUESTED:

Discussion and possible action with respect

to Final Order

Distribution List:
Commissioners' Offices (4)
Journeay, Stephen
Urban, John Paul
Margaret Pemberton (5)
Hrncir, David

DeAnn T. Walker
Chairman

Arthur C. D'Andrea Commissioner



John Paul Urban
Executive Director

Public Utility Commission of Texas

TO:

Chairman DeAnn T. Walker

Commissioner Arthur C. D'Andrea

All Parties of Record (via electronic transmission)

FROM:

David Hrncir

Commission Advising

RE:

Agreed Settlement and Report to Commission Relating to Commission Staff's Investigation of Sunny Quest, LLC DBA Shalimar Apartments Regarding 16 TAC §§ 24.122, 24.123, 24.124, and 24.125, Docket No. 48056, Proposed Order,

April 27, 2018 Open Meeting, Item No. 24.

DATE:

April 26, 2018

Please find enclosed a memorandum by Chairman Walker regarding the above-referenced docket. No other commissioner will file a memorandum in this docket.

W2013

q:\cadm\memos\commissioners\commissioner memo cover memos\48056 dtw cover memo.docx

Public Utility Commission of Texas

Memorandum

TO:

Commissioner Arthur C. D'Andrea

FROM:

Chairman DeAnn T. Walker

DATE:

April 25, 2018

RE:

Open Meeting of April 27, 2018 – Agenda Item No. 24

Docket No. 48056 - Agreed Settlement and Report to Commission Relating to Commission Staff's Investigation of Sunny Quest, LLC DBA Shalimar

Apartments Regarding 16 TAC §§ 24.122, 24.123, 24.124, and 24.125

I would not adopt the proposed order in this docket at this time, because there are critical facts missing that are necessary for the Commission to properly apply the law. I recommend that the Commission remand this docket, so that the Commission can receive additional information on the following issues:

1. The services at issue in this docket

- What services were discussed in the three complaints that prompted a. Commission Staff's investigation of Sunny Quest's billing practices?
- b. Should the order only address water service?
- c. Are there any violations related to sewer service that should be addressed in this docket?
- d. Are there any violations related to electric service that should be addressed in this docket?

2. Suspension and discontinuance of billing

- For which services did Sunny Quest suspend billing? Water? Sewer? Electric? a.
- On what date did Sunny Quest suspend billing of each applicable service? b.
- What is Sunny Quest's legal authority for suspending billing? c.
- d. Does Sunny Quest propose to collect amounts owed from the time period when billing was suspended before billing is discontinued? If so, what is Sunny Quest's legal authority for doing so?

- e. On what date will Sunny Quest or did Sunny Quest discontinue billing?
- f. Is discontinuing billing a change in the method by which a tenant is billed?
- g. If discontinuing billing is a change in the method by which a tenant is billed, is there good cause in this docket for an exception to 16 Texas Administrative Code § 24.123(c), so that there is not further delay for Sunny Quest to discontinue billing for water service?
- h. If Sunny Quest discontinues billing for water service, by what means does Sunny Quest intend to recover its future costs for water service?

3. Common-area usage

- a. Numbered paragraph 19 of the settlement agreement states that "[Commission] Staff understands that there is a common area in the form of a laundry room." Is there a common area, or not?
- b. If there is a common area, has the deduction for common-area usage of at least 5% been included in the recalculation of tenants' bills in this docket?

The order will need to be re-written due to the questions outlined above as well as other issues with the order.

I look forward to discussing this matter with you at the open meeting.