



Control Number: 48342



Item Number: 18

Addendum StartPage: 0

48342

Dear Public Utility Commission of Texas,

2018 JUN 28 AM 10:52

PUBLIC UTILITY COMMISSION
FILING CLERK

The legal name of the Utility I called "Whitewing" is called "Gum Island Utility" CCN 12042. The operator always refers to it as Whitewing, so I got confused and used the wrong legal name by accident. I have filled out the requested paperwork

East Houston Utilities is the operating company for Gum Island Utility. The charter number is 801457298. The assumed name is Krebs Utilities. Krebs Utilities was established in 1998, and East Houston Utilities was established in 2011. This is a corporation.

Please give me a call or email if you need anything else. I apologize again for being late on this required action, I am quite new at all of this so please take that into consideration.

Thank you,

Hannah Krebs

(409) 277-1087

hannahrcchu@gmail.com

AFFIDAVIT

STATE OF TEXAS

COUNTY OF

Harris

I, Hannah Kreps
PROPOSED RATE CHANGE
as

Records Coordinator

being duly sworn, file this **NOTICE OF**

(indicate relationship to Utility, that is, owner, member of partnership, title as officer of corporation, or other authorized representative of Utility); that, in such capacity, I am qualified and authorized to file and verify such NOTICE; and that all statements made and matters set forth herein are true and correct.

I further represent that a copy of the attached NOTICE was provided
by

(method of delivery)

to each customer or other affected party on or about

, 20

Hannah Kreps

AFFIANT

(Utility's Authorized Representative)

Gum Island utility

NAME OF UTILITY

If the Affiant to this form is any person other than the sole owner, partner, officer of the Utility, or its attorney, a properly verified Power of Attorney must be enclosed.

SUBSCRIBED AND SWORN TO BEFORE ME,

this the _____ day of _____, 20 _____, to certify
which witness my hand and seal of office.

SEAL

NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES

P.U.C. DOCKET NO. 48342

NOTICE OF PROPOSED RATE CHANGE
PURSUANT TO TEX. WATER CODE § 13.1871

2018 JUN 28 AM 10:25

EAST HOUSTON UTILITIES
(GUM ISLAND UTILITY)

12042

PUBLIC UTILITY COMMISSION
FILING CLERK

Company Name

CCN Number(s)

has filed a rate change application with the Public Utility Commission of Texas (Commission or PUC). The application may be reviewed online at interchange.puc.texas.gov. You may also inspect a copy of the rate change application at your utility's office at the address below or at the Commission's office (1701 N. Congress Ave, Austin, TX 78701). The proposed rates will apply to service received after the effective date provided below, unless modified or suspended by the Commission. If the Commission receives a sufficient number of protests, separately or in a combined protest letter, from at least _____ [number of] ratepayers (10 percent of the utility's customers over whose rates the Commission has original jurisdiction) or from any affected municipality before the 91st day after the proposed effective date, the matter will be set for hearing. **See Protest Form on the next page for instructions on how to protest.**

EFFECTIVE DATE OF PROPOSED INCREASE:

we will accept staffs recommenda
on as early as possible.

(must be at least 35 days after notice is provided to customers and 35 days after application is filed)

(Proposed rates requested by the utility are not final. The Commission may modify the rates and order a refund or credit against future bills all sums collected during the pendency of the rate proceeding in excess of the rate finally ordered plus interest.)

Reason(s) for proposed Rate Change:

Insufficient funds for operation + maintenance

BILLING COMPARISON

Water

Existing	5,000 gallons:	\$ <u>23.⁰⁰</u> /mo	Proposed	5,000 gallons:	\$ <u>51.⁰⁰</u> /mo
Existing	10,000 gallons:	\$ <u>33.⁰⁰</u> /mo	Proposed	10,000 gallons:	\$ <u>61.⁰⁰</u> /mo
Existing	30,000 gallons:	\$ <u>73.⁰⁰</u> /mo	Proposed	30,000 gallons:	\$ <u>101.⁰⁰</u> /mo

Sewer

Existing	5,000 gallons:	\$ _____ /mo	Proposed	5,000 gallons:	_____ /mo
Existing	10,000 gallons:	\$ _____ /mo	Proposed	10,000 gallons:	\$ _____ /mo

Whitewing / Gum Island Utility

Subdivision(s) or System(s) Affected by Rate Change

11015 Sheldon Rd. Ste 102 Houston, TX 77044

Company Address

City

State

Zip

281-456-0883

Company Phone Number

Annual Revenue Increase

Date Notice Delivered

N/A

Date of Last Rate Change

20th of every month

Date Meters Typically Read

* Prior to providing notice, the utility shall file a request for the assignment of a docket number for the application.

P.U.C. DOCKET NO. _____

RATEPAYER PROTEST

If you wish to PROTEST the proposed rate change, you must submit this form and 10 copies to:

**Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326**

Unless protests are received from at least 10% of ratepayers or from any affected municipality, or the Commission Staff requests a hearing, no hearing will be held and the rates will be effective as proposed.

CUSTOMER INFORMATION (to be completed by customers submitting protests)

First Name: _____ Last Name: _____

Phone Number: _____ Fax Number: _____

Address, City, State: _____

Location where service is received: _____

(if different from the mailing address)

Please fill out the following:

I wish to PROTEST the following proposed rate action/s:

- ☐ Water Rate Change ☐ Sewer Rate Change ☐ Both Water and Sewer Rate Change
☐ Other (please specify below)

Signature of Protestant:

Date:

**Si desea informacion en Espanol, puede llamar al
1-888-782-8477**

**Hearing- and speech-impaired individuals with text telephones may contact the PUC's Customer Assistance
Hotline at
512-936-7136**

NOTICE OF PROPOSED RATE CHANGE - WATER

CURRENT RATES			PROPOSED RATES		
Monthly base rate including <u>5,000</u> gallons			Monthly base rate including <u>5,000</u> gallons		
Meter Size:			Meter Size:		
RESIDENTIAL			RESIDENTIAL		
5/8" or 3/4"	\$	<u>23.⁰⁰</u>	5/8" or 3/4"	\$	<u>51.⁰⁰</u>
1"	\$		1"	\$	
1 1/2"	\$		1 1/2"	\$	
2"	\$		2"	\$	
3"	\$		3"	\$	
Other:	\$		Other:	\$	
GALLONAGE CHARGE:			GALLONAGE CHARGE:		
TIER	VOLUME	CHARGE per 1000 gals.	TIER	VOLUME	CHARGE per 1000 gals.
Tier 1	1 to <u>500</u> gals.	\$ <u>2.⁰⁰</u> /1000 gals.	Tier 1	1 to <u>500</u> gals.	\$ <u>2.⁰⁰</u> /1000 gals.
Tier 2	to gals.	\$ /1000 gals.	Tier 2	to gals.	\$ /1000 gals.
Tier 3	to gals.	\$ /1000 gals.	Tier 3	to gals.	\$ /1000 gals.
Tier 4	to gals.	\$ /1000 gals.	Tier 4	to gals.	\$ /1000 gals.
Tier 5	to gals.	\$ /1000 gals.	Tier 5	to gals.	\$ /1000 gals.
MISCELLANEOUS FEES			MISCELLANEOUS FEES		
Tap Fee	\$	<u>250.⁰⁰</u>	Tap Fee	\$	<u>250.⁰⁰</u>
Reconnect fee:			Reconnect fee:		
Non-payment	\$	<u>25.⁰⁰</u>	Non-payment	\$	<u>25.⁰⁰</u>
Customer's Request	\$		Customer's Request	\$	
Transfer Fee	\$		Transfer Fee	\$	
Late Charge	\$	<u>5.⁰⁰</u>	Late charge: (Indicate either \$5.00 or 10%)	\$	<u>5.⁰⁰</u>
Returned Check Charge	\$		Returned Check Charge	\$	
Deposit	\$	<u>50.⁰⁰</u>	Deposit	\$	<u>50.⁰⁰</u>
Meter test fee	\$		Meter test fee	\$	
			(Maximum - \$25.00)		

Regulatory Assessment of 1% is added to base rate and gallonage charges. Additional fees and meter sizes may be shown on a separate page.

If applicable, list any bill payment assistance programs to low income Ratepayers.

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N/A

NOTICE OF PROPOSED RATE CHANGE –SEWER

CURRENT RATES	PROPOSED RATES
Monthly base rate including _____ gallons	Monthly base rate including _____ gallons
Meter Size:	Meter Size:
RESIDENTIAL	RESIDENTIAL
5/8" or 3/4" \$	5/8" or 3/4" \$
1" \$	1" \$
1 1/2" \$	1 1/2" \$
2" \$	2" \$
3" \$	3" \$
Other: \$	Other: \$
GALLONAGE OR FIXED CHARGE:	GALLONAGE OR FIXED CHARGE:
\$ _____	\$ _____
<input type="checkbox"/> per month; OR	<input type="checkbox"/> per month; OR
<input type="checkbox"/> for each additional 1,000 gallons over the minimum.	<input type="checkbox"/> for each additional 1,000 gallons over the minimum.
Gallage charges are determined based on average consumption for winter period which includes the following months:	Gallage charges are determined based on average consumption for winter period which includes the following months:
MISCELLANEOUS FEES	MISCELLANEOUS FEES
Tap Fee \$	Tap Fee \$
Reconnect fee:	Reconnect fee:
Non-payment \$	Non-payment (Maximum - \$25.00) \$
Customer's Request \$	Customer's Request \$
Transfer Fee \$	Transfer Fee \$
Late Charge \$	Late charge: (Indicate either \$5.00 or 10%) \$
Returned Check Charge \$	Returned Check Charge \$
Deposit \$	Deposit (Maximum \$50.00) \$
Meter test fee \$	Meter test fee (Maximum - \$25.00) \$

Regulatory Assessment of 1% is added to base rate and gallonage charges. Additional fees and meter sizes may be shown on a separate page.

If applicable, list any bill payment assistance programs to low income Ratepayers.

SCHEDULE III-1 RETURN

UTILITY NAME: <u>Gum Island Utility</u>
SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-1 REQUESTED RETURN <u>CCN 12042</u>
FOR THE TEST YEAR ENDED: <u>2017</u>

RETURN ON RATE BASE:

Line No		
1	Test year end rate base (from III-2, Line 16)	27,008
2	Requested ROR (Col G, Line 7 below)	0
3	Return on rate base (Line 1 x Line 2)	0

Rate of Return.

A	B	C	D	E	F	G
Line No	Description	Amount	Percentage	Rate	Reference	Weighted Average Rate
			Amount from previous column divided by Line 6, Column C			G=(E x F)
4	Equity (Rate base less Line 5, Column D)	0	0	0	Col E = Requested return on equity	0
5	Long Term Debt and Advances from associated companies from Schedule III-6	0	0	0	Col E = From Sch III-6, Column H, Line 9	0
6	Total capitalization (Rate Base Sch III-2, Line 16)	27,008				
7	Return on rate base Col G, Line 6 rounded to nearest 0.01%				Line 4 + Line 5	0

To Line 2 above

* ROE = Return on Equity

EAST HOUSTON UTILITIES
(Company Name)

(For Test Year Ended) 2017

VERIFICATION

OATH

(To be made by the officer having control of the accounting of the respondent.)

State of TEXAS

as:

County of HARRIS

Hannah Krebs makes oath and says that he/she is Records Coordinator
(Name of Affiant) (Official Title of Affiant)

of EAST HOUSTON UTILITIES
(Exact Legal Title or Name of the Respondent)

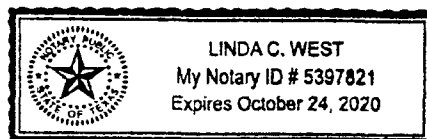
The signed officer has reviewed the rate application.

Based on the officer's knowledge, the rate application does not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading.

Based on such officer's knowledge, the financial statements, operations and other financial information included in the rate application, fairly present in all material respects the financial condition and results of operations of the preparers as of, and for, the periods presented in the rate application.

He/she swears that all other statements contained in the said rate application are true, and that the said rate application is a correct and complete statement of the business and the above-named respondent during the test year time frame of _____ to _____, and including any additional time frames aside from the aforementioned test year resulting from rate case requests for information

Subscribed and sworn to and before me, a _____ in and for the State and County above-named, this 19th day of JUNE, 2018



Linda C. West
(Signature of Affiant)

My commission expires _____
(Signature of Officer Authorized to Administer Oaths)

**Gum Island Utility Company
P.O. Box 266
Dayton, Texas 77535
936-258-8310**

POTABLE WATER RATE STRUCTURE

Approved August 11, 1987 – Texas Water Commission

BASE MONTHLY RATE:

0 to 3,000 gallons: **\$23.00**

Each 1,000 gallons over 3,000 gallons: **2.00**

1—500 gallons are rounded DOWN to the nearest 1,000 gallons.

501—1000 gallons are rounded UP to the nearest 1,000 gallons.

TAP FEE: **\$750.00**

New customers requesting service for locations not previously connected to the system must pay the TAP FEE for water main tap and meter installation before service is connected.

SECURITY DEPOSIT: **\$100.00**

Payment is due on or before 10 days from the billing date.

DELINQUENT PAYMENT PENALTY: **\$10.00**

A Delinquent Payment Penalty is assessed for payment not received on or before the past due date.

ACCOUNT RECONNECTION FEE: **\$35.00**

A Reconnection Fee shall be charged for the reconnection of a disconnected service after the issuance by GUM ISLAND of a 10 day written Disconnect Notice, or by customer request. CUSTOMER should contact GUM ISLAND to arrange a PAST DUE PAYMENT SCHEDULE for past due balances, in order to reconnect service and avoid additional Delinquent Payment Penalties or another disconnection of service. Disconnection for nonpayment of water bills is never done on, or the day before, weekends and legal holidays.

Customers are required to sign an "Application for Service" form with agreement to abide by the service requirements of Gum Island and all regulations of the various water control boards of Texas.

Water service may be disconnected by the Utility **without notice** for violation of any of the above-mentioned requirements and regulations.



NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED
(Water Company, Land and Assets)

STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF LIBERTY §

WHEREAS, the MALLEY CORPORATION ("MALLEY"), a Texas Corporation, was the Grantee in a deed dated June 28, 1977, with DAVID W. MCCOY as the Grantor, conveying 154.7 acres of land (the "Original Tract") in the C.C. Brunson Survey, Abstract No. 741, and the Julianna Malley Survey, Abstract No. 71, in Liberty County, Texas, as fully described by a field note description therein, said deed being recorded in Volume 823, Page 103 of the Official Public Records of Liberty County, Texas; and

WHEREAS, MALLEY subsequently developed portions of the Original Tract into the Whitewing Subdivision, Section 1 and Section 2 ("Whitewing"), by plats recorded in Volume 8, Page 153 (Section 1) and Volume 8, Page 173 (Section 2) of the Plat Records of Liberty County, Texas; and

WHEREAS, Gum Island Utility Company, a Texas Corporation wholly owned by Malley Corporation, was granted a **Certificate of Convenience and Necessity ("CCN No. 12042")** on October 27, 1987, by the Texas Water Commission, for the purpose of supplying potable water service to the lots and residences in Section 1 and Section 2 of the Whitewing Subdivision as referenced above, under V.T.C.A. Water Code and Texas Water Commission Substantive Rules; and

WHEREAS, Gum Island Utility Company subsequently forfeited its charter for the non payment of franchise taxes; and

WHEREAS, upon said forfeiture by Gum Island Utility Company of its charter, ownership of the water well site, plant, distribution system and assets supplying potable water to the Whitewing subdivision under said **CCN No. 12042** reverted back to Malley Corporation as the parent owner and developer of Whitewing and the Whitewing Subdivision Water Plant; and

WHEREAS, since the time of said forfeiture by Gum Island Utility Company of its charter, the Whitewing Subdivision Water Plant has been called and known as the **Whitewing Subdivision Water Plant, PWS I.D. No. 146006** by the Texas Water Commission (TWC), the Texas Natural Resource Conservation Commission (TNRCC), and currently, the Texas Commission on Environmental Quality (TCEQ), hereinafter collectively referred to as the "Texas water utility regulatory commissions"; and

WHEREAS, potable water service has been subsequently and continuously supplied, and is presently supplied to Whitewing as of the date of this conveyance, by the water well, plant, distribution system and assets of the **Whitewing Subdivision Water Plant, PWS I.D. No. 146006** (the "Business"), located on that certain 0.0911 acre, or 3,969 square foot, tract of land in "Reserve B" of said Whitewing Subdivision, Section 1 (the "Well Site Land"), said Well Site Land being more particularly described in **EXHIBIT "A"** attached hereto and incorporated herein by reference; and with said potable water distribution system assets being further located in the public utility easements of Whitewing as shown on the recorded plats of same referenced herein above; and

WHEREAS, MALLEY, as the Grantor in a deed dated December 30, 1997, and recorded in Volume 1699, Page 907 of the Official Public Records of Liberty County, Texas, conveyed to DAVID MCCOY AND ASSOCIATES, INC., an Illinois Corporation, as the Grantee, all of its remaining rights, titles, and interests in the Original Tract, including the real property used by the Business and the Well Site Land referenced herein and set out in EXHIBIT "A" of said deed; and

WHEREAS, the remaining assets of MALLEY passed to DAVID MCCOY AND ASSOCIATES INC. prior to the dissolution of MALLEY in February, 1999; and

titles, and interests in and to the said surface estate of the Well Site Land described in **EXHIBIT "A"** attached hereto:

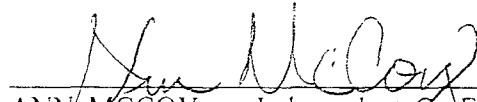
NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That we, **FREDERICK GEORGE MCCOY** and **PAUL ARTHUR MCCOY**, as Co-Trustees of the **DAVID W. MCCOY LIVING TRUST** dated November 2, 1998; **PAUL A. MCCOY** and **ANN MCCOY**, as Independent Co-Executors of the **ESTATE OF BARBARA Z. MCCOY, DECEASED**; and **FRED G. MCCOY** and **MARILYN A. MCCOY**, individually, hereinafter collectively referred to as GRANTOR, whether one or more, for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and the mutual benefits to be derived and the representations and warranties, conditions and promises herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, CONVEY, SELL, TRANSFER, DELIVER, and ASSIGN unto **EAST HOUSTON UTILITIES, INC., aka KREBS UTILITIES**, a for-profit water supply corporation duly organized and existing under the laws of the state of Texas, hereinafter referred to as GRANTEE, said GRANTOR and GRANTEE hereinafter referred to collectively as the Parties, upon the terms and conditions hereinafter set forth and agreed to by the Parties, all of GRANTOR'S interest in and to the property described as follows ("the Property"), to-wit:

1. **Water Plant Well Site:** THE SURFACE ONLY of the Well Site Land, being that certain 0.0911 acre, or 3.969 square foot, tract or parcel of land out of and a part of that called 10.86 acre tract shown as "Reserve B" on the Plat of the Whitewing Subdivision, Section 1, recorded in Volume 8, Page 153 of the Plat Records of Liberty County, Texas, located in the C.C. Brunson Survey, Abstract 741, Liberty County, Texas, said Well Site Land owned by **FRED G. MCCOY** and wife, **MARILYN A. MCCOY** (collectively the "Well Site Landowners"), on which, the water well and plant used in the operation of the Business is located, together with improvements thereon and fixtures thereto (collectively the "Well Site"). The Well Site Landowners, by their signatures below, do hereby certify their receipt of GRANTEE'S check for \$2,000.00 as full payment and consideration for said Well Site Land



PAUL ARTHUR MCCOY, as Co-Trustee of the David W. McCoy Living Trust and as Independent Co-Executor of the Estate of Barbara Z. McCoy, Deceased

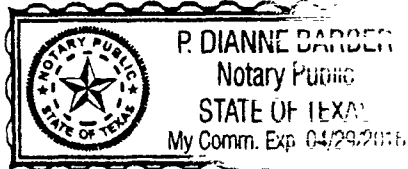


ANN MCCOY, as Independent Co-Executor of the Estate of Barbara Z. McCoy, Deceased

THE STATE OF TEXAS §

COUNTY OF MCLENNAN §

This instrument was acknowledged before me on the 12th day of September, 2014, by PAUL ARTHUR MCCOY, as Co-Trustee of the David W. McCoy Living Trust and as Independent Co-Executor of the Estate of Barbara Z. McCoy, deceased.



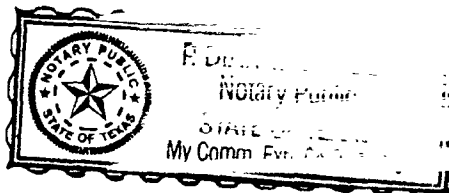
IN WITNESS WHEREOF, I have hereunto set my hand and the seal of my office, this 12th day of September, 2014.

Notary Public, State of Texas

THE STATE OF TEXAS §

COUNTY OF MCLENNAN §

This instrument was acknowledged before me on the 12th day of September, 2014, by ANN MCCOY, as Independent Co-Executor of the Estate of Barbara Z. McCoy, deceased.



Notary Public, State of Texas

Mailing Address of GRANTEE:

Name: East Houston Utilities, Inc.
aka Krebs Utilities
Address: 11015 Sheldon Rd., Ste 102
Houston, Texas 77044