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January 23, 2020

Cliff Crouch
Public Utility Commission of Texas
Central Records
1701 N Congress, Suite 8-100
Austin, Texas 78701

RE: Towne West Apartments
       123 Handyman Lane
       Houston, TX 78102

50431

Mr. Crouch:

We are writing for good cause consideration for our proposed switch from submetering billing to allocation billing.

The present submetering system is an Elster C700. It was originally installed in 2007. Unfortunately, the submeters in each unit have leaked over time due to faulty installation. At this point, over 75% of the submeters are flooded and nonfunctioning. Only a complete replacement and replumb of the submeters would bring them online. It is estimated that the replacement of each submeter, including product and labor, costs $450. Of the remaining 25% of the submeters that are functional, it is estimated that they should be replaced as they will ultimately flood. Additionally, the relay systems throughout the property are no longer functional and it is unknown whether the main system needs to be upgraded, repaired or replaced. The total estimated price to bring the system back up is as follows:

292 units complete replacement @ $450 = $131,625
98 units functional but will require replacement @ $450 = $44,100
3 relay replacements @ $675 = $2,025
Main system repair / replace = $15,000 - $35,000

Total: $192,750 – $212,750

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Additionally, but not related to the submetering, Towne West requires over $1,000,000 of roof and siding repairs. We are trying to commit as much capital into the property as possible to upgrade its deferred issues. Putting $200,000 towards replacing the submetering system is not only infeasible but will prevent the property from getting its much-needed capital expenditures.

We can supply repair/replacement estimates upon request.

Best Personal Regards,

Brad Galinson
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