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DOCKET NO. 50878

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COMPLAINT OF RANDALL COLLINS AGAINST MONARCH UTILITIES I L.P.	§ § §	PUBLIC UTILITY COMMISSION OF TEXAS
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JOINT MOTION FOR SUMMARY DECISION

Monarch Utilities I L.P. (“Monarch”) and Staff for the Public Utility Commission of Texas (“Commission Staff”) (collectively, the “Parties”) file this Joint Motion for Summary Decision. In support thereof, Parties show the following:

I. EXECUTIVE SUMMARY

Mr. Collins’ remaining complaint is appropriate for disposition by a motion for summary decision because there is no genuine issue as to any material fact. Monarch charges its customers for water service in accordance with the base rates and gallonage charges approved in its tariff, and for billing purposes rounds the volume usage down to the nearest 1,000-gallon increment as appropriate and specifically contemplated in 16 Texas Administrative Code (“TAC”) § 24.43(c). Monarch avoids under-recovering actual water usage by carrying forward any remaining amounts and applying them to a subsequent month's bill to recover the underbilled amount as allowed by 16 TAC § 24.165(h). Mr. Collins has confirmed that the exact six-month billing period in question is May 18 to November 20, 2019.

II. BACKGROUND

On May 22, 2020, Mr. Collins filed a formal complaint against Monarch alleging that the utility was overcharging for water service at his residence.¹ Monarch responded to the

¹ Complaint of Randall Collins against Monarch Utilities I L.P. (May 22, 2020).

complaint stating that Mr. Collins' monthly meter readings and billings are correct and consistent with Monarch's approved tariff.² Commission Staff expressed its opinion in its second supplemental statement of position that Monarch was charging Mr. Collins the correct water and sewer base rates, as well as the correct water pass-through gallonage charge, based on the meter readings Monarch recorded during the relevant time period.³ Based on this position, Commission Staff also moved for a summary decision pursuant to 16 TAC § 22.182(a) because there is no genuine issue as to any material fact.⁴

The administrative law judge ("ALJ") issued Order No. 7, granting the majority of Commission Staff's motion, but denying in part regarding Monarch's water meter readings and billing practices.⁵ Specifically, the ALJ provided that while it is clear that Monarch's tariff identifies a rate per 1,000 gallons, it is less clear that a customer's monthly usage can be rounded down to the nearest 1,000 gallons and the remainder carried forward to the customer's next monthly bill.⁶ The ALJ also stated the exact six-month billing period, and Mr. Collins' corresponding water usage, was an unresolved fact issue.⁷ The ALJ mentioned that additional information would be of benefit in resolving the issue, and ordered the parties to file additional evidence and briefing on Monarch's billing practices.⁸

² Monarch's Response to Order No. 1 (Jun 17, 2020)

³ Commission Staff's Second Supplemental Statement of Position and Motion for Summary Decision (Aug. 18, 2020)

⁴ *Id.*

⁵ Order No. 7 Granting in Part and Denying in Part Commission Staff's Motion for Summary Decision (Oct. 19, 2020).

⁶ *Id.* at 4.

⁷ *Id.* at 3.

⁸ *Id.*

In his response to a request for information from the Staff, Mr. Collins confirmed that the time in question is the six-month period spanning from May 18, 2019 to November 20, 2019.⁹ The Parties filed a Joint Initial Brief on November 20, 2020. On December 9, 2020, the ALJ issued Order No. 9, establishing the deadline to file a motion for summary decision for January 11, 2021. This motion is therefore timely filed.

III. COLLINS' REMAINING COMPLAINT

Mr. Collins' single remaining complaint is "that he was billed the exact same amount, \$167.51, each month for a period of six months which . . . indicates that his water meter does not accurately reflect his actual water usage."¹⁰

IV. THE PARTIES' RESPONSE

Monarch and Commission Staff submitted a joint initial brief on November 20, 2020, as requested in response to Order No. 7. In that brief, the Parties demonstrated how Monarch's billing practices are in accordance with the Commission's rules, specifying that while part of one month's usage may be picked up in the next billing cycle, Monarch never charges customers for any water usage they did not actually receive.¹¹

⁹ Complainant's Response to Commission Staff's First Request for Information (Nov. 16, 2020) (Attached hereto as Exhibit A).

¹⁰ *Id.*

¹¹ Joint Initial Brief of Monarch Utilities I L.P. and Commission Staff (Nov. 20, 2020) (Attached hereto as Exhibit B).

V. JOINT MOTION FOR SUMMARY DECISION

A. Motion for Summary Decision Standard

“Any party to a proceeding may move for summary decision on any or all of the issues,” and such a motion “may be filed at any time before the close of the hearing on the merits.”¹²

Summary decision is proper when:

the pleadings, affidavits, materials obtained by discovery or otherwise, admissions, matters officially noticed, or evidence of record show that there is no genuine issue as to any material fact and that the moving party is entitled to a decision in its favor, as a matter of law, on the issues expressly set forth in the motion.¹³

B. Argument

Staff reviewed the water bills Mr. Collins provided in his informal complaint.¹⁴ As detailed in Kathryn Eiland’s memoranda, attached to Staff’s supplemental statement of position,¹⁵ Staff recommended that Monarch is charging Mr. Collins the correct water and sewer base charges. Staff also recommends that Monarch is charging Mr. Collins the correct water pass-through gallonage charge. The Commission decided that Monarch was permitted to begin charging customers the pass-through charge on March 1, 2019.¹⁶ As a result, Staff recommended that all charges on Mr. Collins’ bill are correct under Monarch’s tariff.

The Parties also submitted a joint brief on November 20, 2020, providing the ALJs with requested water meter data and outlining how the Commission’s rules specifically allow

¹² 16 TAC § 22.182(b).

¹³ *Id.* § 22.182(a).

¹⁴ *Complaint No. CP2020010451*, Randall Collins Invoices Confirmed (Jan. 22, 2020).

¹⁵ Staff’s Supplemental Statement of Position (July 1, 2020) (Attached hereto as Exhibit C).

¹⁶ *See Formal Complaint of Paul Hawkins Against Monarch Utilities I L P*, Docket No. 49732 (pending).

for Monarch’s billing practices at issue in the complaint.¹⁷ Mr. Collins’ resolved the remaining factual issue as the six-month period in question.¹⁸

Monarch has included daily usage charts in Exhibit B. These readings are for the period of time spanning from August 23, 2019 to January 23, 2020. The automated meter reading (“AMR”) technology Monarch uses to generate these more specific usage charts requires additional steps to permanently save data; otherwise, it is not stored outside of a limited time window. For this reason, Monarch is unable to provide more specific usage data further back than what is included in Exhibit B.

The Commission’s rules provide that a utility may not directly or indirectly demand, charge, or collect any rate or charge, or impose any classifications, practices, rules, or regulations different from those prescribed in its approved tariff.¹⁹ Monarch’s approved tariff authorizes the utility to collect a monthly minimum charge (also known as a base rate) as well as a gallonage charge (also known as a volume charge) based on the customers’ actual water usage.²⁰ The gallonage charge is multi-tiered based on increasing volumes, but each of these rate amounts are applicable per 1,000 gallons of usage. Regarding volume charges specifically, the Commission’s rules expressly state such charges “shall be based on metered usage . . . rounded up or down as appropriate to the nearest 1,000 gallons.”²¹

¹⁷ Joint Initial Brief of Monarch Utilities I L.P. and Commission Staff (Nov. 20, 2020).

¹⁸ Complainant’s Response to Commission Staff’s First Request for Information (Nov. 16, 2020).

¹⁹ 16 TAC § 24.25(a)

²⁰ *Application of Monarch Utilities I, L P. for a Minor Tariff Change for New Federal Tax Credit Rider, Water Utility Tariff* (Feb 25, 2019) (Attachment 1).

²¹ 16 TAC § 24.43(c)

In accordance with this rule, Monarch's monthly billing practice is to round down to the nearest 1,000-gallon increment when assessing the gallonage charge. By rounding the usage down, Monarch is underbilling for actual usage. To recover the underbilled amount of usage, Monarch then takes the amount of usage that was not included in the bill because of the rounding and carries that amount forward to be recovered in a subsequent monthly bill. This allows Monarch to accurately recover payment for a customer's actual water usage. Otherwise, simply rounding down each month without carrying the remaining usage amounts forward would result in under-recovery of actual water usage. Monarch's billing practice is merely an accounting function to recover the specific amount of payment approved in its tariff.

Overbilling and underbilling is specifically contemplated under the Commission's rules, 16 TAC § 24.165(h) states:

If billings for utility service are found to differ from the utility's lawful rates for the services being provided to the customer, or if the utility fails to bill the customer for such services, a billing adjustment shall be calculated by the utility...If the customer was undercharged, the utility may backbill the customer for the amount that was underbilled.

So taking 16 TAC § 24.43(c) as authorization for rounding bills, and 16 TAC § 24.165(h) as authorization to collect underbilling, Monarch's monthly billing practice is authorized.

While part of one month's usage may be picked up in the next billing cycle, Monarch never charges customers for any water usage they did not actually receive. The acceptability of this practice is reflected in the express language of 16 TAC §§ 24.43(c) and 24.165(h), which contemplates the necessity of such rounding practices and allows for utilities to collect for underbilling. That 16 TAC § 24.43(c) also allows for rounding up instead of just rounding down evidences the Commission's understanding that flexibility is needed when a utility is

recovering payments for customers' water usage via a method based on 1,000-gallon increments.

As supported above, Mr. Collins' remaining complaint is appropriate for disposition by a motion for summary decision because there is no genuine issue as to any material fact. Under 16 TAC § 22.182(d), a hearing on the motion is not required. Monarch and Staff respectfully request that the ALJ grant this joint motion for summary decision and dismiss this docket.

VI. CONCLUSION

Parties respectfully request that the ALJ grant their joint motion for summary decision and dismiss Mr. Collins' complaint.

Respectfully submitted,

LLOYD GOSSELINK ROCHELLE
& TOWNSEND, P.C.
816 Congress Avenue, Suite 1900
Austin, Texas 78701
512-322-5800
512-472-0532 (Fax)
/s/ William A. Faulk, III

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I L.P.**

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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M.Justin.Ackley@puc.texas.gov

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on January 11, 2021, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ William A. Faulk, III

WILLIAM A. FAULK, III

EXHIBIT A



DOCKET NO. 50878

COMPLAINT OF PUBLIC UTILITY COMMISSION
RANDALL COLLINS AGAINST
MONARCH UTILITIES I, L.P. OF TEXAS

COMPLAINANT'S RESPONSE TO
REQUEST FOR INFORMATION
TO COMPLAINT

Pursuant to 16 Texas Administrative Code (TAC) 22. 144 (2)(F) the complainant, Randall Collins, stipulates that responses to requests for information can be treated by all parties as if the answers were filed under oath.

1-1 Provide the specific months (including year) you believe that Monarch did not read your meter correctly.

RESPONSE; Beginning from 05/18/2019 thru 11/20/2019

1-2 Provide the specific months (including year) you believe your water bills were not calculated correctly.

RESPONSE; Beginning from 05/18/2019 thru 11/20/2019

1-3 Provide the bills relevant to Staff 1-1 and Staff 1-2 above

RESPONSE; Please see attached PDF below.

1-4 Admit or deny that you read the meter after you received one or more of the bills you identified in your response to Staff 1-1 above.

RESPONSE; The Complainant did not physically read the meter during one or more of the bills identified above. The Complainant states the he was prevented by Monarch Utilities from doing so in order to obtain a accurate per-gallon water/waste water usage calculation. The

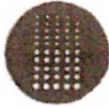
Complainant requested Monarch Utilities to provide the current rate being charged per single gallon of water used and per single gallon of waste water disposed. Monarch Utilities declined to answer this request directly. Please see attached PDF below.

Dated November 13, 2020

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "R. Collins", is written over a horizontal dashed line.

Randall Collins, Complainant



Monarch Utilities I L.P.

A SouthWest Water Company

Customer Service: 866-654-7992
Emergencies: 866-654-7992
Visit us online: www.swwc.com/texas

Account Number: 001000070424
Invoice Number: 180041391756
Billing Date: 11/26/2019
Total Amount Due By: 12/12/2019

Service Address:
103 CHILLACOTHE TR
MABANK TX 75156



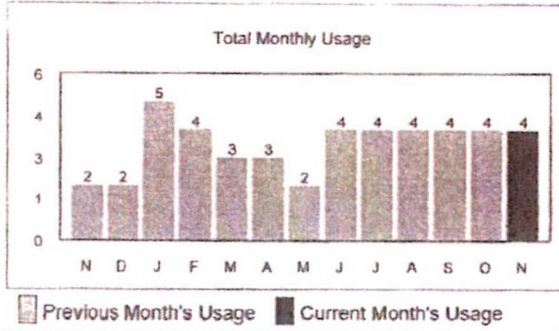
Current Reading Based on Actual

Page 1 of 1

Rate Type	Meter Read Dates		Number Of Days	Meter Reading		Usage KGAL	Meter Number
	From	To		Previous	Current		
5/8" - R	10/22/19	11/20/19	30	121.0	125.0	4.0	10654374

*KGal (1000 Gallons) Average Consumption = 3.6

Water Usage History - 13 Month Usage in KGal*



Message Center

Happy Thanksgiving! Our offices will be closed on Thursday, November 28th and Friday, November 29th for the Thanksgiving holidays. We will resume business on Monday, December 2nd at 8:00am. Please have a safe and happy holiday!

Account Summary

Previous Bill Amount	\$167.51
Payment Received 11/03/19 - Thank You	-\$167.51
(Payments after 5:00pm will NOT reflect on this invoice.)	
Balance	\$0.00
Current Billing and Other Basic Charges	
Water Base	\$49.30
Sewer Base	\$75.26
Water Usage	\$33.34
Sewer Usage (Based on Winter Average 4.0)	\$10.56
Federal Tax Cut Credit - Water	-\$2.76
Federal Tax Cut Credit - Sewer	-\$2.61
Water Pass-Through Gal. Charge	\$2.76
TX. Comm Environ Quality	\$1.66
Total Current Charges	\$167.51
Total Amount Due By 12/12/19	\$167.51
Total Amount Due After 12/12/19	\$184.26

Stay informed of outages and provide us with your email address today!

Please detach and return the bottom portion with your payment, or pay online at www.swwc.com/myaccount.

MONARCH UTILITIES
SOUTHWEST WATER COMPANY
P.O. Box 4657
Houston, TX 77210-4657

Account Number: 001000070424
Total Amount Due By 12/12/19: \$167.51
Total Amount Due After 12/12/19: \$184.26
Please make check payable to:
MONARCH UTILITIES

Please check here and see reverse for address and phone corrections.

Amount Enclosed

\$									
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RANDALL COLLINS
103 CHILLACOTHE TR
MABANK TX 75156

MONARCH UTILITIES
P.O. Box 4657
Houston, TX 77210-4657

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Monarch Utilities I L.P.

A SouthWest Water Company

Customer Service: 866-654-7992
 Emergencies: 866-654-7992
 Visit us online: www.swwc.com/texas

Account Number: 001000070424
 Invoice Number: 180011921962
 Billing Date: 10/25/2019
 Total Amount Due By: 11/10/2019

Service Address:
 103 CHILLACOTHE TR
 MABANK TX 75156



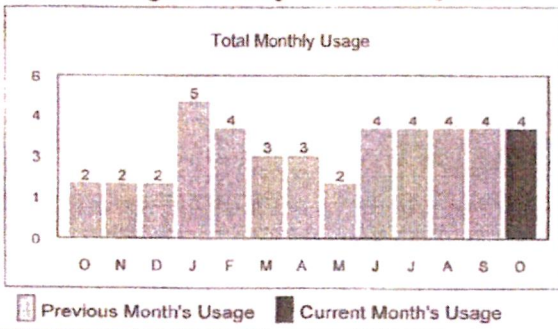
Current Reading Based on Actual

Page 1 of 1

Rate Type	Meter Read Dates		Number Of Days	Meter Reading		Usage KGAL	Meter Number
	From	To		Previous	Current		
5/8" - R	09/21/19	10/21/19	31	117.0	121.0	4.0	10654374

*KGal (1000 Gallons) Average Consumption = 3.4

Water Usage History - 13 Month Usage in KGal*



Account Summary

Previous Bill Amount	\$167.51
Payment Received 10/04/19 - Thank You	-\$167.51
(Payments after 5:00pm will NOT reflect on this invoice.)	
Balance	\$0.00
Current Billing and Other Basic Charges	
Water Base	\$49.30
Sewer Base	\$75.26
Water Usage	\$33.34
Sewer Usage (Based on Winter Average 4.0)	\$10.56
Federal Tax Cut Credit - Water	-\$2.76
Federal Tax Cut Credit - Sewer	-\$2.61
Water Pass-Through Gal. Charge	\$2.76
TX. Comm Environ Quality	\$1.66
Total Current Charges	\$167.51
Total Amount Due By 11/10/19	\$167.51
Total Amount Due After 11/10/19	\$184.26

Message Center

What's the 4-1-1 on SouthWest Water? Check out our quarterly newsletter ""Currents"" located inside your bill.

Stay informed of outages and provide us with your email address today!

Please detach and return the bottom portion with your payment, or pay online at www.swwc.com/myaccount.

MONARCH UTILITIES

SOUTHWEST WATER COMPANY
 P.O. Box 4657
 Houston, TX 77210-4657

Account Number: 001000070424
 Total Amount Due By 11/10/19: \$167.51
 Total Amount Due After 11/10/19: \$184.26

Please make check payable to:
 MONARCH UTILITIES

Please check here and see reverse for address and phone corrections.

Amount Enclosed



RANDALL COLLINS
 103 CHILLACOTHE TR
 MABANK TX 75156

MONARCH UTILITIES
 P.O. Box 4657
 Houston, TX 77210-4657

000000000000 03 00029 00001000070424 9 00 00016751 00018426 9



Monarch Utilities I L.P.

A SouthWest Water Company

Customer Service: 866-654-7992
Emergencies: 866-654-7992
Visit us online: www.swwc.com/texas

Account Number: 001000070424
Invoice Number: 180011901020
Billing Date: 09/26/2019
Total Amount Due By: 10/12/2019

Service Address:
103 CHILLACOTHE TR
MABANK TX 75156



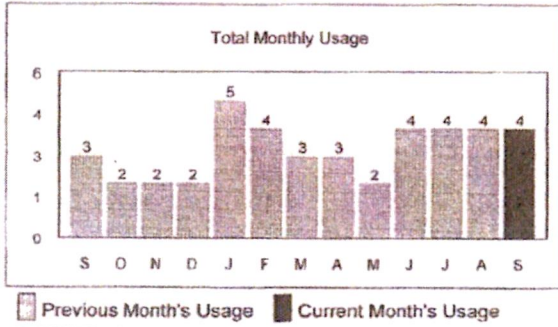
Current Reading Based on Actual

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Rate Type	Meter Read Dates		Number Of Days	Meter Reading		Usage KGAL	Meter Number
	From	To		Previous	Current		
5/8" - R	08/21/19	09/20/19	31	113.0	117.0	4.0	10654374

*KGal (1000 Gallons) Average Consumption = 3.3

Water Usage History - 13 Month Usage in KGal*



Account Summary

Previous Bill Amount	\$167.51
Payment Received 09/04/19 - Thank You	-\$167.51
(Payments after 5:00pm will NOT reflect on this invoice.)	
Balance	\$0.00
Current Billing and Other Basic Charges	
Water Base	\$49.30
Sewer Base	\$75.26
Water Usage	\$33.34
Sewer Usage (Based on Winter Average 4.0)	\$10.56
Federal Tax Cut Credit - Water	-\$2.76
Federal Tax Cut Credit - Sewer	-\$2.61
Water Pass-Through Gal. Charge	\$2.76
TX. Comm Environ Quality	\$1.66
Total Current Charges	\$167.51
Total Amount Due By 10/12/19	\$167.51
Total Amount Due After 10/12/19	\$184.26

Message Center

Did you know: Only 1% of the Earth's water is used for all of humanity's needs. Two percent is found in glaciers, and the remaining 97% is salt water.

Stay informed of outages and provide us with your email address today!

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MONARCH UTILITIES
SOUTHWEST WATER COMPANY
P.O. Box 4657
Houston, TX 77210-4657

Account Number: 001000070424
Total Amount Due By 10/12/19: \$167.51
Total Amount Due After 10/12/19: \$184.26
Please make check payable to:
MONARCH UTILITIES

Please check here and see reverse for address and phone corrections.

Amount Enclosed



RANDALL COLLINS
103 CHILLACOTHE TR
MABANK TX 75156

MONARCH UTILITIES
P.O. Box 4657
Houston, TX 77210-4657

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Monarch Utilities I L.P.

A SouthWest Water Company

Customer Service: 866-654-7992
Emergencies: 866-654-7992
Visit us online: www.swwc.com/texas

Account Number: 001000070424
Invoice Number: 180041350345
Billing Date: 08/26/2019
Total Amount Due By: 09/11/2019

Service Address:
103 CHILLACOTHE TR
MABANK TX 75156



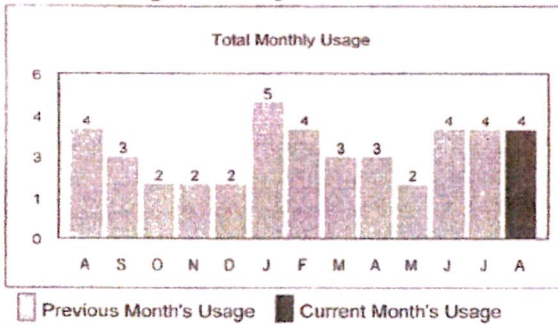
Current Reading Based on Actual

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Rate Type	Meter Read Dates		Number Of Days	Meter Reading		Usage KGAL	Meter Number
	From	To		Previous	Current		
5/8" - R	07/19/19	08/20/19	33	109.0	113.0	4.0	10654374

*KGal (1000 Gallons) Average Consumption = 3.2

Water Usage History - 13 Month Usage in KGal*



Account Summary

Previous Bill Amount	\$167.51
Payment Received 08/05/19 - Thank You	-\$167.51
(Payments after 5:00pm will NOT reflect on this invoice.)	
Balance	\$0.00
Current Billing and Other Basic Charges	
Water Base	\$49.30
Sewer Base	\$75.26
Water Usage	\$33.34
Sewer Usage (Based on Winter Average 4.0)	\$10.56
Federal Tax Cut Credit - Water	-\$2.76
Federal Tax Cut Credit - Sewer	-\$2.61
Water Pass-Through Gal. Charge	\$2.76
TX. Comm Environ Quality	\$1.66
Total Current Charges	\$167.51
Total Amount Due By 09/11/19	\$167.51
Total Amount Due-After 09/11/19	\$184.26

Message Center

Did you know: Only 1% of the Earth's water is used for all of humanity's needs. Two percent is found in glaciers, and the remaining 97% is salt water.

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MONARCH UTILITIES

SOUTHWEST WATER COMPANY
P.O. Box 4657
Houston, TX 77210-4657

Account Number: 001000070424
Total Amount Due By 09/11/19: \$167.51
Total Amount Due After 09/11/19: \$184.26

Please make check payable to:
MONARCH UTILITIES

Please check here and see reverse for address and phone corrections.

PAID 9-19

Amount Enclosed



RANDALL COLLINS
103 CHILLACOTHE TR
MABANK TX 75156

MONARCH UTILITIES
P.O. Box 4657
Houston, TX 77210-4657

000000000000 03 00029 00001000070424 9 00 00016751 00018426 9



Monarch Utilities I L.P.

A SouthWest Water Company

Customer Service: 866-654-7992
 Emergencies: 866-654-7992
 Visit us online: www.swwc.com/texas

Account Number: 001000070424
 Invoice Number: 180061100663
 Billing Date: 07/26/2019
 Total Amount Due By: 08/11/2019

Service Address:
 103 CHILLACOTHE TR
 MABANK TX 75156

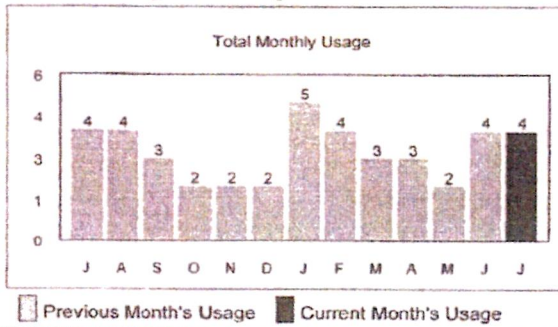


Current Reading Based on Actual

Rate Type	Meter Read Dates		Number Of Days	Meter Reading		Usage KGAL	Meter Number
	From	To		Previous	Current		
5/8" - R	06/18/19	07/18/19	31	105.0	109.0	4.0	10654374

*KGal (1000 Gallons) Average Consumption = 3.2

Water Usage History - 13 Month Usage in KGal*



Message Center

Read about the water you receive with our 2018 Water Quality Report. Visit <https://www.swwc.com/texas/water-quality/> to read your neighborhood's report.

Account Summary

Previous Bill Amount	\$167.51
Payment Received 07/05/19 - Thank You	-\$167.51
(Payments after 5:00pm will NOT reflect on this invoice.)	
Balance	\$0.00
Current Billing and Other Basic Charges	
Water Base	\$49.30
Sewer Base	\$75.26
Water Usage	\$33.34
Sewer Usage (Based on Winter Average 4.0)	\$10.56
Federal Tax Cut Credit - Water	-\$2.76
Federal Tax Cut Credit - Sewer	-\$2.61
Water Pass-Through Gal. Charge	\$2.76
TX. Comm Environ Quality	\$1.66
Total Current Charges	\$167.51
Total Amount Due By 08/11/19	\$167.51
Total Amount Due After 08/11/19	\$184.26

Need assistance paying your water bill? Register for Help2Others today.

Please detach and return the bottom portion with your payment, or pay online at www.swwc.com/myaccount.

MONARCH UTILITIES

SOUTHWEST WATER COMPANY
 P.O. Box 4657
 Houston, TX 77210-4657

Account Number: 001000070424
 Total Amount Due By 08/11/19: \$167.51
 Total Amount Due After 08/11/19: \$184.26

Please make check payable to:
 MONARCH UTILITIES

Please check here and see reverse for address and phone corrections.

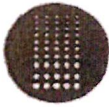
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RANDALL COLLINS
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MONARCH UTILITIES
 P.O. Box 4657
 Houston, TX 77210-4657

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Monarch Utilities I L.P.

A SouthWest Water Company

Customer Service: 866-654-7992
Emergencies: 866-654-7992
Visit us online: www.swwc.com/texas

Account Number: 001000070424
Invoice Number: 180080757056
Billing Date: 06/24/2019
Total Amount Due By: 07/10/2019

Service Address:
103 CHILLACOTHE TR
MABANK TX 75156



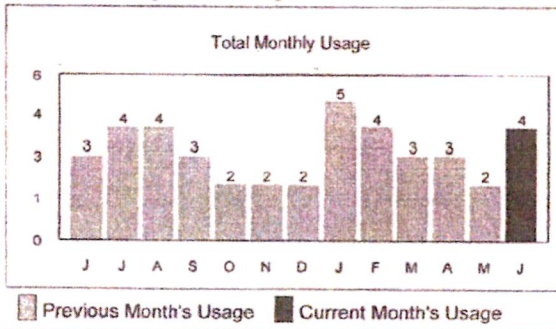
Current Reading Based on Actual

Page 1 of 2

Rate Type	Meter Read Dates		Number Of Days	Meter Reading		Usage KGAL	Meter Number
	From	To		Previous	Current		
5/8" - R	05/18/19	06/17/19	31	101.0	105.0	4.0	10654374

*KGal (1000 Gallons) Average Consumption = 3.2

Water Usage History - 13 Month Usage in KGal*



Account Summary

Previous Bill Amount	\$147.53
Payment Received 06/03/19 - Thank You	-\$147.53
(Payments after 5:00pm will NOT reflect on this invoice.)	
Balance	\$0.00
Current Billing and Other Basic Charges	
Water Base	\$49.30
Sewer Base	\$75.26
Water Usage	\$33.34
Sewer Usage (Based on Winter Average 4.0)	\$10.56
Federal Tax Cut Credit - Water	-\$2.76
Federal Tax Cut Credit - Sewer	-\$2.61
Water Pass-Through Gal. Charge	\$2.76
TX. Comm Environ Quality	\$1.66
Total Current Charges	\$167.51
Total Amount Due By 07/10/19	\$167.51
Total Amount Due After 07/10/19	\$184.26

Message Center

2018 Water Quality Reports now available. Read inside for more details.

Need assistance paying your water bill? Register for Help2Others today.

Please detach and return the bottom portion with your payment, or pay online at www.swwc.com/myaccount.

MONARCH UTILITIES

SOUTHWEST WATER COMPANY
P.O. Box 4657
Houston, TX 77210-4657

Account Number: 001000070424
Total Amount Due By 07/10/19: \$167.51
Total Amount Due After 07/10/19: \$184.26

Please make check payable to:
MONARCH UTILITIES

Please check here and see reverse for address and phone corrections.

Amount Enclosed

\$									
----	--	--	--	--	--	--	--	--	--

RANDALL COLLINS
103 CHILLACOTHE TR
MABANK TX 75156

MONARCH UTILITIES
P.O. Box 4657
Houston, TX 77210-4657

000000000000 03 00029 00001000070424 9 00 00016751 00018426 9

11/5/2020

beltsbyskip@yahoo.com - Yahoo Mail

From: Skip Collins <beltsbyskip@yahoo.com>
Sent: Sunday, July 19, 2020 6:52 AM
To: TX Utilities - Customer Care <TXUtilities-CustomerCare@swwc.com>
Subject: Rate of water/waste water per gallon.

I am a current customer Acct# 001000070824. Math is not one of my better qualities. Therefore please inform me of the current rate I am being charged per SINGLE gallon of water used and per SINGLE gallon of waste water disposed?

Regards, thank you

Sent from Mail for Windows 10

11/5/2020

beltsbyskip@yahoo.com - Yahoo Mail

To: TX Utilities - Customer Care <TXUtilities-CustomerCare@swwc.com>
Subject: Re: Rate of water/waste water per gallon.

My address is 103 Chillacoth Trail Mabank Tx. My account is not closed. A new meter was installed, maybe that's why it shows a closed account.

Best regards, thank you.

On Monday, July 20, 2020, 01:33:20 PM CDT, TX Utilities - Customer Care <txutilities-customer-care@swwc.com> wrote:

Good Afternoon,

Thank you for contacting Customer Care. The account number provided is for a closed account, could you please provide us with your service address?

For rate information you may visit our website to view our tariff at <http://www.swwc.com/texas/tariff/>.

If you have any further questions or concerns, you may reply to this email, or call us at 866.654.7992. We appreciate your cooperation, and thank you for allowing us to be your water/wastewater service provider.

Thank you for contacting us today. Did you know that will be upgrading our customer portal? We are very excited to be able to provide expanded features and greater tools to help track and manage your water use. Curious about the features and design? Take a look: www.swwc.com/new-customer-portal.

Sincerely,

SouthWest Water Company

Customer Care

Visit us at www.swwc.com

Call us toll free at 866.654.7992

Hours of operation: Mon. - Fri. 8:00 a.m. to 4:30 p.m.

With Water Comes Responsibility

Account #1000070424 - 103 CHILLACOTHE TR

From: TX Utilities - Customer Care (txutilities-customer@swwc.com)

To: beltsbyskip@yahoo.com

Date: Thursday, July 23, 2020, 01:33 PM CDT

Good Afternoon,

Thank you for contacting Customer Care. The usage rates are set forth in the Monarch Utilities I L. P. tariff and are charged in per 1,000-gallon basis. To review more information regarding our approved rates, please visit our website at <http://www.swwc.com/texas/tariff/>. Sewer usage is based on our winter average. The winter average is based on the water usage during the months of December – February. We calculate the average amount of water used during these months to determine your sewer usage for the rest of the year. If you have any further questions or concerns, you may reply to this email, or call us at 866.654.7992. We appreciate your cooperation and thank you for allowing us to be your water/wastewater service provider.

Thank you for contacting us today. Did you know that will be upgrading our customer portal? We are very excited to be able to provide expanded features and greater tools to help track and manage your water use. Curious about the features and design? Take a look: www.swwc.com/new-customer-portal.

Sincerely,

SouthWest Water Company

Customer Care

Visit us at www.swwc.com

Call us toll free at 866.654.7992

Hours of operation: Mon. - Fri. 8:00 a.m. to 4:30 p.m.

With Water Comes Responsibility

From: Skip Collins <beltsbyskip@yahoo.com>

Sent: Monday, July 20, 2020 1:52 PM

EXHIBIT B

RECEIVED

DOCKET NO. 50878

2020 NOV 20 AM 10:43

COMPLAINT OF RANDALL COLLINS §
AGAINST MONARCH UTILITIES I §
L.P. §

PUBLIC UTILITY COMMISSION
PUBLIC UTILITY COMMISSION
FILING CLERK
OF TEXAS

**JOINT INITIAL BRIEF
OF MONARCH UTILITIES I L.P. AND COMMISSION STAFF**

Monarch Utilities I L.P. (“Monarch”) and Staff for the Public Utility Commission of Texas (“Commission Staff”) (collectively, the “Parties”) file this Joint Initial Brief in the above-styled and numbered docket. Pursuant to Order No. 8¹ this brief is timely filed, and in support the Parties show the following:

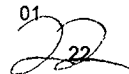
I. EXECUTIVE SUMMARY

Monarch charges its customers for water service in accordance with the base rates and gallonage charges approved in its tariff, and for billing purposes rounds the volume usage down to the nearest 1,000-gallon increment as appropriate and specifically contemplated in 16 Texas Administrative Code (TAC) § 24.43(c). Monarch avoids under-recovering actual water usage by carrying forward any remaining amounts and applying them to a subsequent month’s bill to recover the underbilled amount as allowed by 16 TAC § 24.165(h).

II. BACKGROUND

On May 22, 2020, Mr. Collins filed a formal complaint against Monarch alleging that the utility was overcharging for water service at his residence.² Mr. Collins has since confirmed that the time in question is the six-month period spanning from May 18, 2019 to November 20, 2019.³ Monarch responded to the complaint indicating that Mr. Collins’ monthly meter readings and billings are correct and consistent with Monarch’s approved tariff.⁴ Commission Staff has expressed its opinion in its second supplemental statement of position that Monarch was charging

¹ Order No. 8 Establishing Procedural Schedule (Nov. 6, 2020).
² Complaint of Randall Collins against Monarch Utilities I L.P. (May 22, 2020).
³ Complainant’s Response to Commission Staff’s First Request for Information (Nov. 16, 2020).
⁴ Monarch’s Response to Order No. 1 (Jun. 17, 2020).

01


Mr. Collins the correct water and sewer base rates, as well as the correct water pass-through gallonage charge, based on the meter readings Monarch recorded during the relevant time period.⁵ Based on this position, Commission Staff also moved for a summary decision pursuant to 16 TAC § 22.182(a) because there is no genuine issue as to any material fact.⁶

The administrative law judge (“ALJ”) issued Order No. 7, granting the majority of Commission Staff’s motion, but denying in part with regards to Monarch’s water meter readings and billing practices.⁷ Specifically, the ALJ mentioned that while it is clear that Monarch’s tariff identifies a rate per 1,000 gallons, it is less clear that a customer’s monthly usage can be rounded down to the nearest 1,000 gallons and the remainder carried forward to the customer’s next monthly bill.⁸ The ALJ mentioned that additional information would be of benefit in resolving the issue, and ordered the parties to file additional evidence and briefing on Monarch’s billing practices.⁹

III. ANALYSIS

A. Monarch Data Available Regarding Mr. Collins’ Actual Water Usage.

The ALJ indicates in Order No. 7 that without knowing Mr. Collins’ actual water usage, it is impossible to determine whether he was correctly billed under Monarch’s tariff.¹⁰ The ALJ references detailed daily usage reading charts from the meter at Mr. Collins’ service address that were previously provided to Mr. Collins and Commission Staff in order to suggest that more accurate information is available other than the worksheet Monarch provided in this docket wherein water use appears to be adjusted to the nearest 1,000-gallon increment.¹¹ However, the

⁵ Commission Staff’s Second Supplemental Statement of Position and Motion for Summary Decision (Aug. 18, 2020).

⁶ *Id.*

⁷ Order No. 7 Granting in Part and Denying in Part Commission Staff’s Motion for Summary Decision (Oct. 19, 2020).

⁸ *Id.* at 4

⁹ *Id.*

¹⁰ *Id.*

¹¹ *Id.*

more detailed daily usage charts the ALJs reference are notably not part of the record in this proceeding. Accordingly, Monarch has included these daily usage charts herein as Attachment A. These readings are for the period of time spanning from August 23, 2019 to January 23, 2020. The automated meter reading (“AMR”) technology Monarch uses to generate these more specific usage charts requires additional steps to permanently save data; otherwise, it is not stored outside of a limited time window. For this reason, Monarch is unable to provide more specific usage data further back than what is included in Attachment A.

B. Monarch’s Billing Practices are in Accordance with its Approved Tariff and Commission Rules

The Commission’s rules provide that a utility may not directly or indirectly demand, charge, or collect any rate or charge, or impose any classifications, practices, rules, or regulations different from those prescribed in its approved tariff.¹² Monarch’s approved tariff authorizes the utility to collect a monthly minimum charge (also known as a base rate) as well as a gallonage charge (also known as a volume charge) based on the customers’ actual water usage.¹³ The gallonage charge is multi-tiered based on increasing volumes, but each of these rate amounts are applicable per 1,000 gallons of usage. Regarding volume charges specifically, the Commission’s rules expressly state such charges “shall be based on metered usage...rounded up or down as appropriate to the nearest 1,000 gallons.”¹⁴

In accordance with this rule, Monarch’s monthly billing practice is to round down to the nearest 1,000-gallon increment when assessing the gallonage charge. By rounding the usage down, Monarch is underbilling for actual usage. To recover the underbilled amount of usage, Monarch then takes the amount of usage that was not included in the bill because of the rounding and carries that amount forward to be recovered in a subsequent monthly bill. This allows Monarch to accurately recover payment for a customer’s actual water usage. Otherwise, simply

¹² 16 TAC § 24.25(a)

¹³ *Application of Monarch Utilities I, L P for a Minor Tariff Change for New Federal Tax Credit Rider*, Water Utility Tariff (Feb. 25, 2019) (Attachment 1)

¹⁴ 16 TAC § 24.43(c)

rounding down each month without carrying the remaining usage amounts forward would result in under-recovery of actual water usage. Monarch's contemplated billing practice is merely an accounting function to recover the specific amount of payment approved in its tariff.

Overbilling and underbilling is specifically contemplated under the Commission's rules, 16 TAC § 24.165(h) states:

If billings for utility service are found to differ from the utility's lawful rates for the services being provided to the customer, or if the utility fails to bill the customer for such services, a billing adjustment shall be calculated by the utility...If the customer was undercharged, the utility may backbill the customer for the amount that was underbilled.

So taking 16 TAC § 24.43(c) as authorization for rounding bills, and 16 TAC § 24.165(h) as authorization to collect underbilling, Monarch's monthly billing practice is authorized.

While part of one month's usage may be picked up in the next billing cycle, Monarch never charges customers for any water usage they did not actually receive. The acceptability of this practice is reflected in the express language of 16 TAC §§ 24.43(c) and 24.165(h), wherein the Commission deliberately contemplates the necessity of such rounding practices and allows for utilities to collect for underbilling. That 16 TAC § 24.43(c) also allows for rounding up instead of just rounding down evidences the Commission's understanding that flexibility is needed when a utility is recovering payments for customers' water usage via a method based on 1,000-gallon increments.

IV. CONCLUSION

For the foregoing reasons, the Parties respectfully request that the ALJ acknowledge that Monarch's billing practices are in accordance with its approved tariff and Commission rules, and grant the Parties such other relief to which they may be entitled.

Respectfully submitted,

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& TOWNSEND, P.C.
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Austin, Texas 78701
512-322-5800
512-472-0532 (Fax)

/s/ Reid Barnes

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**ATTORNEYS FOR MONARCH UTILITIES I
L.P.**

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Rachelle Nicolette Robles
Division Director

Rashmin J. Asher
Managing Attorney

/s/ Megan Chalifoux

Megan Chalifoux
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(512) 936-7268 (facsimile)
megan.chalifoux@puc.texas.gov

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on November 20, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Reid Barnes

REID BARNES

ATTACHMENT A

Run Date: 01/23/20 08:53 AM

Data Log

Page No: 1 of 8

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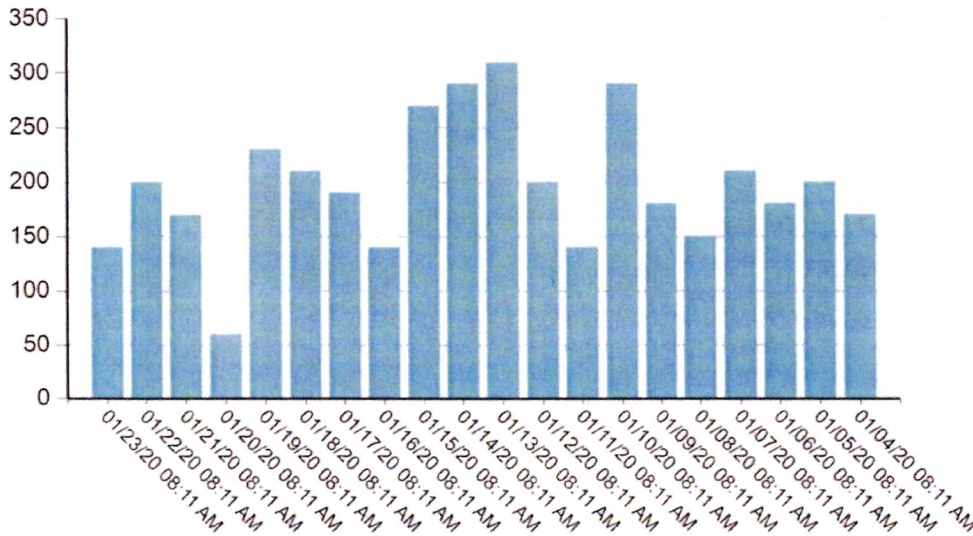
RANDALL, COLLINS

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103 CHILLACOTHE TR

Reading Period: 24 Hours



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6	01/18/20 08:11 AM	134050	210	1341	
7	01/17/20 08:11 AM	133840	190	1338	
8	01/16/20 08:11 AM	133650	140	1337	
9	01/15/20 08:11 AM	133510	270	1335	
10	01/14/20 08:11 AM	133240	290	1332	
11	01/13/20 08:11 AM	132950	310	1330	
12	01/12/20 08:11 AM	132640	200	1326	
13	01/11/20 08:11 AM	132440	140	1324	
14	01/10/20 08:11 AM	132300	290	1323	
15	01/09/20 08:11 AM	132010	180	1320	
16	01/08/20 08:11 AM	131830	150	1318	
17	01/07/20 08:11 AM	131680	210	1317	
18	01/06/20 08:11 AM	131470	180	1315	
19	01/05/20 08:11 AM	131290	200	1313	
20	01/04/20 08:11 AM	131090	170	1311	

Run Date: 01/23/20 08:53 AM

Data Log

Page No: 2 of 8

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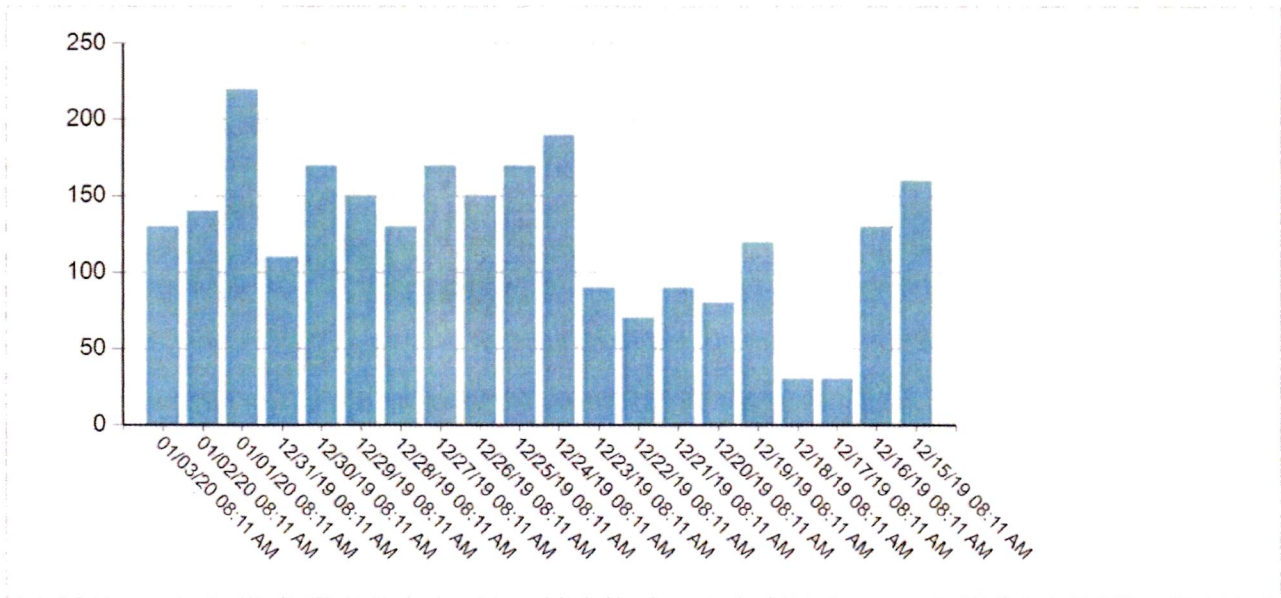
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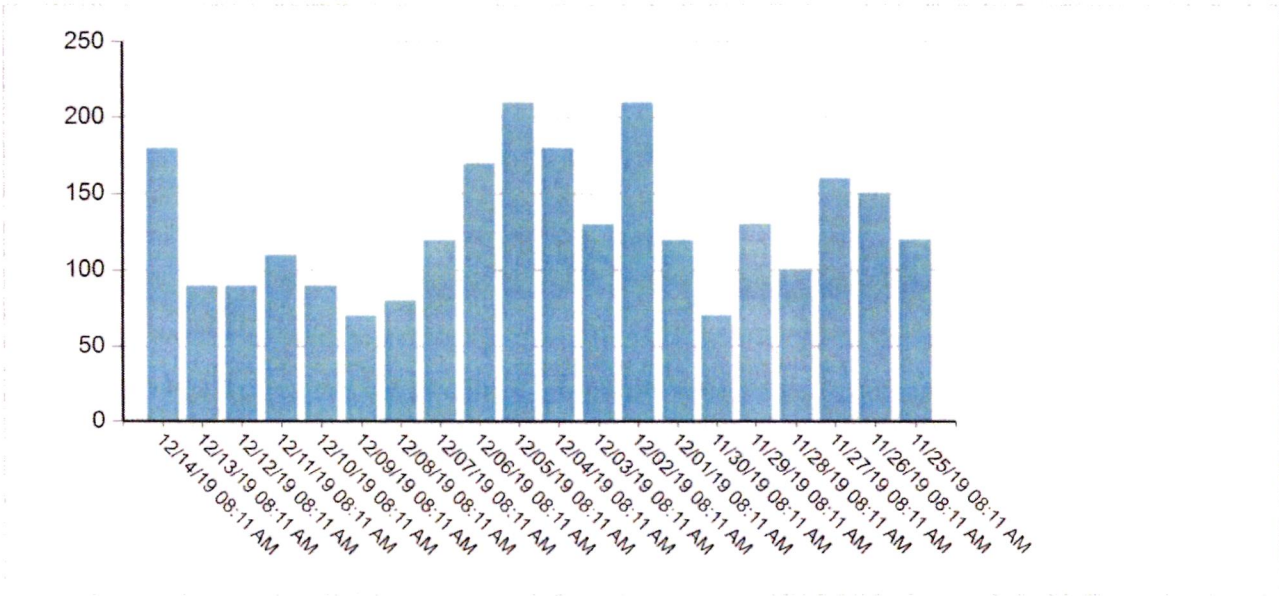
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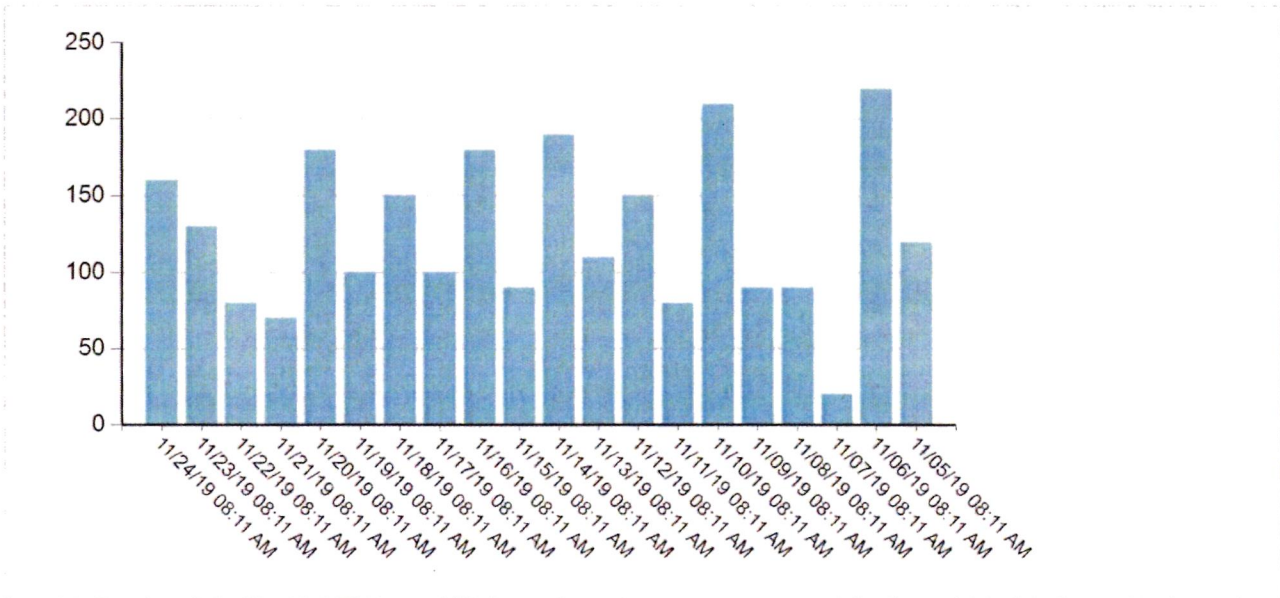
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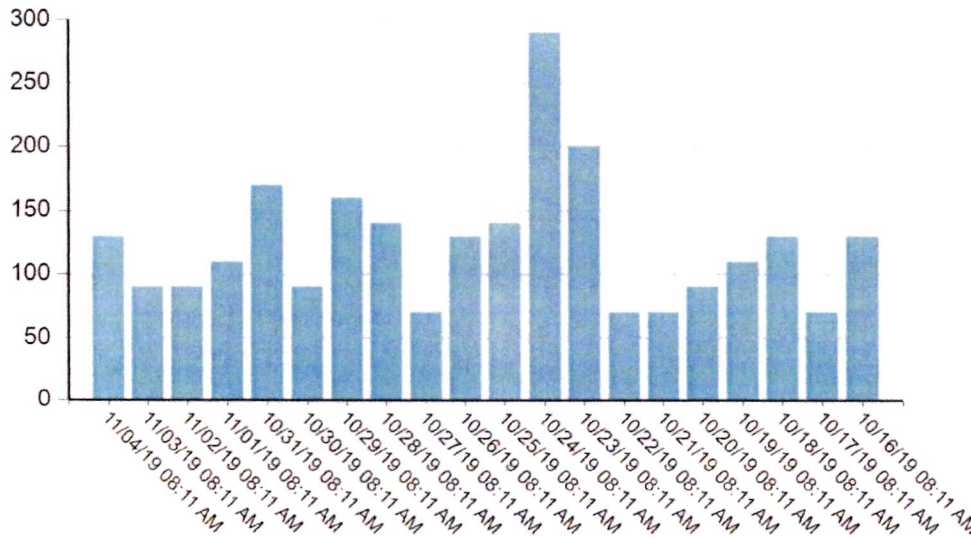
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25	12/30/19 08:11 AM	130320	170	1303	
26	12/29/19 08:11 AM	130150	150	1302	
27	12/28/19 08:11 AM	130000	130	1300	
28	12/27/19 08:11 AM	129870	170	1299	
29	12/26/19 08:11 AM	129700	150	1297	
30	12/25/19 08:11 AM	129550	170	1296	
31	12/24/19 08:11 AM	129380	190	1294	
32	12/23/19 08:11 AM	129190	90	1292	
33	12/22/19 08:11 AM	129100	70	1291	
34	12/21/19 08:11 AM	129030	90	1290	
35	12/20/19 08:11 AM	128940	80	1289	
36	12/19/19 08:11 AM	128860	120	1289	
37	12/18/19 08:11 AM	128740	30	1287	
38	12/17/19 08:11 AM	128710	30	1287	
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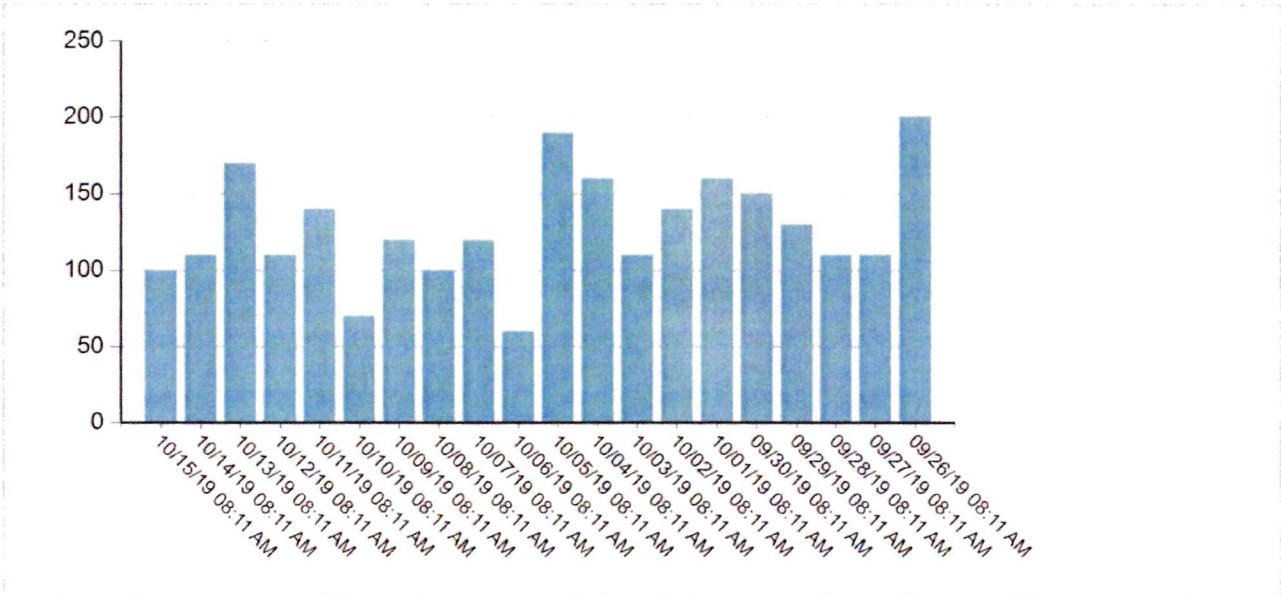
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46	12/09/19 08:11 AM	127830	70	1278	
47	12/08/19 08:11 AM	127760	80	1278	
48	12/07/19 08:11 AM	127680	120	1277	
49	12/06/19 08:11 AM	127560	170	1276	
50	12/05/19 08:11 AM	127390	210	1274	
51	12/04/19 08:11 AM	127180	180	1272	
52	12/03/19 08:11 AM	127000	130	1270	
53	12/02/19 08:11 AM	126870	210	1269	
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55	11/30/19 08:11 AM	126540	70	1265	
56	11/29/19 08:11 AM	126470	130	1265	
57	11/28/19 08:11 AM	126340	100	1263	
58	11/27/19 08:11 AM	126240	160	1262	
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60	11/25/19 08:11 AM	125930	120	1259	



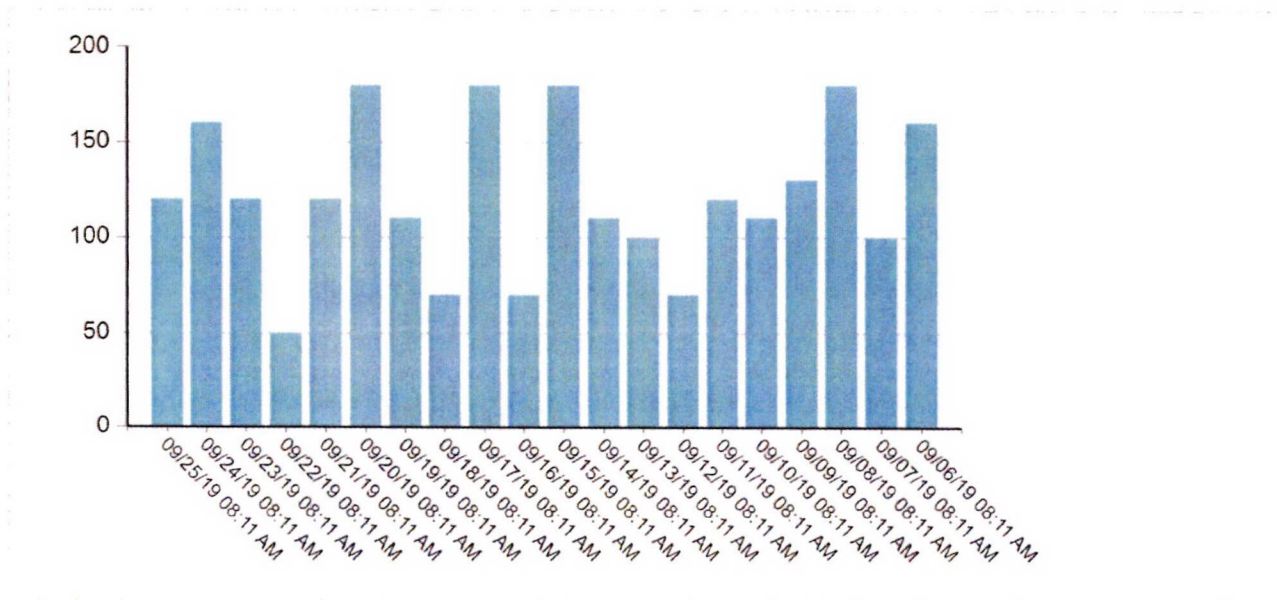
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65	11/20/19 08:11 AM	125370	180	1254	
66	11/19/19 08:11 AM	125190	100	1252	
67	11/18/19 08:11 AM	125090	150	1251	
68	11/17/19 08:11 AM	124940	100	1249	
69	11/16/19 08:11 AM	124840	180	1248	
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74	11/11/19 08:11 AM	124120	80	1241	
75	11/10/19 08:11 AM	124040	210	1240	
76	11/09/19 08:11 AM	123830	90	1238	
77	11/08/19 08:11 AM	123740	90	1237	
78	11/07/19 08:11 AM	123650	20	1237	
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85	10/31/19 08:11 AM	122870	170	1229	
86	10/30/19 08:11 AM	122700	90	1227	
87	10/29/19 08:11 AM	122610	160	1226	
88	10/28/19 08:11 AM	122450	140	1225	
89	10/27/19 08:11 AM	122310	70	1223	
90	10/26/19 08:11 AM	122240	130	1222	
91	10/25/19 08:11 AM	122110	140	1221	
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124	09/22/19 08:11 AM	117850	50	1179	
125	09/21/19 08:11 AM	117800	120	1178	
126	09/20/19 08:11 AM	117680	180	1177	
127	09/19/19 08:11 AM	117500	110	1175	
128	09/18/19 08:11 AM	117390	70	1174	
129	09/17/19 08:11 AM	117320	180	1173	
130	09/16/19 08:11 AM	117140	70	1171	
131	09/15/19 08:11 AM	117070	180	1171	
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133	09/13/19 08:11 AM	116780	100	1168	
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Data Log

Page No: 8 of 8

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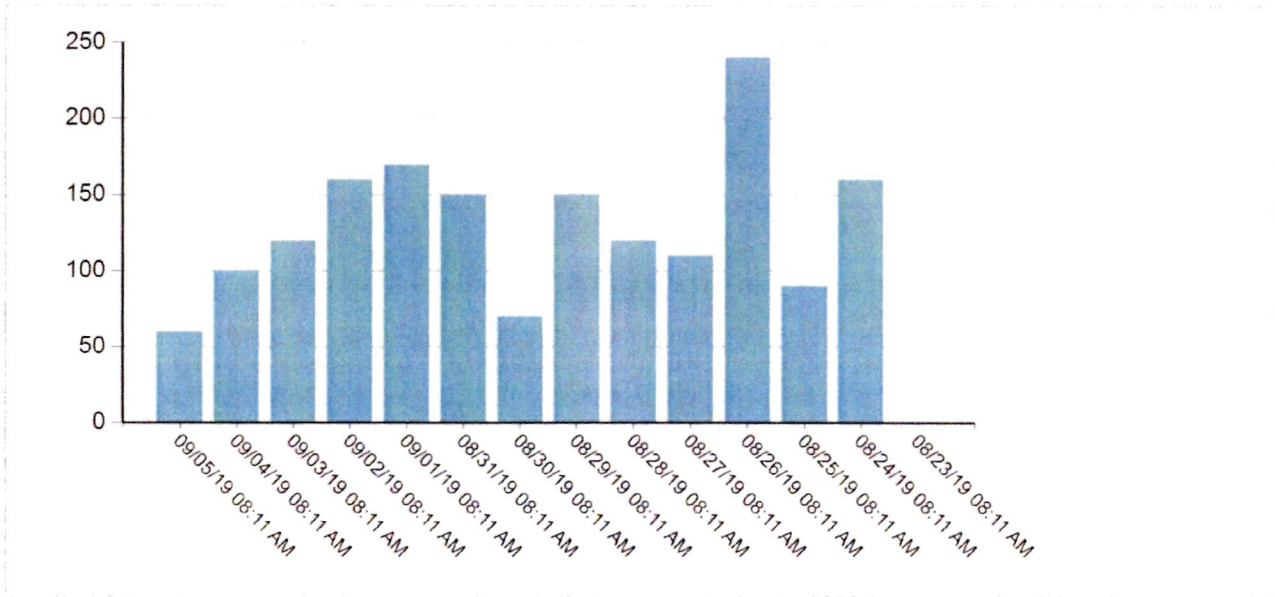
RANDALL, COLLINS

Report Period: 8/23/2019-1/23/2020

Total Consumption: 20740.00

103 CHILLACOTHE TR

Reading Period: 24 Hours



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141	09/05/19 08:11 AM	115810	60	1158	
142	09/04/19 08:11 AM	115750	100	1158	
143	09/03/19 08:11 AM	115650	120	1157	
144	09/02/19 08:11 AM	115530	160	1155	
145	09/01/19 08:11 AM	115370	170	1154	
146	08/31/19 08:11 AM	115200	150	1152	
147	08/30/19 08:11 AM	115050	70	1151	
148	08/29/19 08:11 AM	114980	150	1150	
149	08/28/19 08:11 AM	114830	120	1148	
150	08/27/19 08:11 AM	114710	110	1147	
151	08/26/19 08:11 AM	114600	240	1146	
152	08/25/19 08:11 AM	114360	90	1144	
153	08/24/19 08:11 AM	114270	160	1143	
154	08/23/19 08:11 AM	114110	0	1141	

EXHIBIT C



DOCKET NO. 50878

COMPLAINT OF RANDALL COLLINS
AGAINST MONARCH UTILITIES I,
L.P.

§
§
§

PUBLIC UTILITY COMMISSION
OF TEXAS

COMMISSION STAFF'S SUPPLEMENTAL STATEMENT OF POSITION

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and files this Supplemental Statement of Position. In support thereof, Staff shows the following:

I. BACKGROUND

On May 22, 2020, Randall Collins filed a formal complaint against Monarch Utilities I, L.P. (Monarch), alleging overcharges for water service at his residence. On May 27, 2020, the Administrative Law Judge (ALJ) in this case issued Order No. 1, giving Staff until June 24, 2020 to file a statement of position regarding the complaint and to determine whether Mr. Collins complied with the requirements for informal resolution and consultation with the municipality in which the complainant may live, in accordance with 16 Texas Administrative Code (TAC) § 22.242(c) and (e). On June 24, 2020, Staff filed its statement of position, asking for additional time to determine whether Monarch has charged Mr. Collins in accordance with its tariff. On June 26, 2020, the ALJ issued Order No. 2, granting Staff until July 1, 2020 to file a supplemental statement of position. Thus, this pleading is timely filed.

II. COMPLAINT

Mr. Collins complains that he was billed the same amount each month for a period of six months.¹ Mr. Collins asserts that it is inconceivable that he used the same amount of water each month during this six-month period.² Mr. Collins argues that Monarch's base rates are unfair and violate the Equal Protection Clause under the Texas Constitution.³ Mr. Collins further accuses

¹ Complaint of Randall Collins against Monarch Utilities I, L.P. (Complaint) at 2 (May 22, 2020).

² *Id.* at 3.

³ *Id.* at 4.

(P)

Monarch of committing the criminal offense of extortion.⁴ Mr. Collins asks that Monarch be ordered to cease charging base rates and that he be appointed an attorney.⁵

III. MONARCH'S RESPONSE

Monarch responded to the complaint, disputing Mr. Collins' claim that Monarch's monthly bills were incorrect.⁶ Monarch asserted that Mr. Collins' monthly meter readings and billings were correct and consistent with Monarch's tariff.⁷ Monarch stated that it is authorized to serve Henderson County and Mr. Collins' residence under water CCN 12983 and sewer CCN 20899.⁸ Monarch noted that it is a for-profit utility lawfully operating under the statutes and rules of the State of Texas.⁹ Monarch stated that it has done everything within the scope of its responsibilities to address Mr. Collins' concerns and asks that the Commission deny Mr. Collins' complaint.¹⁰

IV. STAFF'S STATEMENT OF POSITION

Staff has reviewed the water bills Mr. Collins provided in his informal complaint.¹¹ As detailed in the attached memoranda of Kathryn Eiland, Rate Regulation Division, Staff recommends that Monarch is charging Mr. Collins the correct water and sewer base charges; however, Monarch is also charging Mr. Collins a water pass-through gallonage charge even though that pass-through charge has not yet been approved by the Commission. The effective date of the pass-through gallonage charge is currently being considered by the Commission. Staff's position in this case is dependent on the Commission's decision in two pending dockets, Docket No. 49732, *Formal Complaint of Paul Hawkins Against Monarch Utilities I, L.P.* (Hawkins Complaint) and Docket No. 49242, *Application of Monarch Utilities I, L.P. for a Pass Through Gallonage Charge* (Monarch Pass-Through Application).

⁴ *Id.*; see Tex. Penal Code § 31.02.

⁵ *Id.*

⁶ Response of Monarch Utilities I, L.P. to Randall Collins' Complaint (Response) at 1 (June 17, 2020).

⁷ *Id.* at 1, Exhibit B.

⁸ *Id.* at 1-2, Exhibit C.

⁹ *Id.* at 2.

¹⁰ *Id.* at 3.

¹¹ *Complaint No. CP2020010451*, Randall Collins Invoices Confirmed (January 22, 2020).

In the Hawkins Complaint, the Commission requested briefing on whether language contained in Monarch's tariff constitutes Commission authorization for an effective date of a pass-through charge other than the date of approval of that charge under 16 Texas Administrative Code (TAC) § 24.25(h).¹² The parties have filed briefing but the Commission has not yet decided the issue.¹³ Furthermore, the Monarch Pass-Through Application has been abated to allow the Commission time to rule on the effective date of the pass-through gallonage charge in the Hawkins Complaint.¹⁴

Staff's recommendation in this complaint is dependent on the Commission's decisions in the Hawkins Complaint and the Monarch Pass-Through Application. Accordingly, Staff respectfully requests an extension until August 3, 2020 to file a second supplemental statement of position to allow the Commission time to decide the effective date of the pass-through gallonage charge.

V. CONCLUSION

Staff respectfully requests additional time to file a second supplemental statement of position that takes into consideration the Commission's decisions in the Hawkins Complaint and Monarch Pass-Through Application.

¹² *Complaint of Paul Hawkins Against Monarch Utilities I, L.P.*, Docket No. 49732, Order Requesting Briefing (March 12, 2020).

¹³ *Id.*, Commission Staff's Brief on Effective Date Issues (March 26, 2020); Brief of Monarch Utilities I, L.P. (March 26, 2020); Reply Brief of Monarch Utilities I, L.P. (April 3, 2020); Comments of Paul Hawkins (April 6, 2020).

¹⁴ *Application of Monarch Utilities I, L.P. for a Pass Through Gallonage Charge*, Docket No. 49242, Order No. 7 Abating Proceeding (April 14, 2020).

Dated: July 1, 2020

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Rachelle Nicolette Robles
Division Director

Heath D. Armstrong
Managing Attorney

/s/ Megan Chalifoux

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DOCKET NO. 50878

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on July 1, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Megan Chalifoux

Megan Chalifoux

Public Utility Commission of Texas

Memorandum

TO: Megan Chalifoux, Attorney
Legal Division

FROM: Kathryn Eiland, Financial Analyst
Rate Regulation Division

DATE: July 1, 2020

RE: **Docket No. 50878** – *Complaint of Randall Collins against Monarch Utilities I, L.P.*

On May 22, 2020, Randall Collins (Mr. Collins or Complainant) filed a formal complaint against Monarch Utilities I, L.P. (Monarch). Mr. Collins expressed concern that he was billed the same amount of \$167.51 for six consecutive months for water service, and therefore believes that his water meter is not being read.

Staff conducted a review of Mr. Collins' complaint and Monarch's response to Order No. 1. Although Mr. Collins did not identify the six-month period he was billed \$167.51 in his formal complaint, Staff identified that the periods were from June through November 2019 via his informal complaint.¹ The informal complaint also included Mr. Collins' bills from March 2019 through December 2019. Monarch provided the meter reading history for Mr. Collins address from July 2016 through May 2020 in this docket. These records match the usage shown on the bills for the time periods in question of 4,000 gallons per month. Mr. Collins did not provide documentation that reflected a different reading for the periods in question, therefore, Staff relied on the usage provided by Monarch as being correct.

Staff confirmed that Mr. Collins' invoices showed that he was billed for a 5/8" meter size. According to Monarch's water tariff,² the minimum monthly charge and gallonage charge are as follows:

Water base charge: \$49.30
Gallonage charge: \$7.47 per 1,000 gallons from 0 to 2,000 gallons
\$9.20 per 1,000 gallons from 2,001 to 10,000 gallons
\$10.43 per 1,000 gallons from 10,001 to 20,000 gallons
\$11.11 per 1,000 from 20,001 and thereafter

¹ *Complaint No. CP2020010451, Randall Collins Invoices Confirmed (January 22, 2020).*

² *Application of SWWC Utilities, Inc DBA Southwest Utility Company and Monarch Utilities I L.P. for Sale, Transfer, or Merger of Facilities and Certificate Rights in Harris County, Docket No. 49103, Corrected Notice of Approval (April 2, 2020).*

According to Monarch's sewer tariff,³ the minimum monthly charge and gallonage charge are as follows:

Sewer base charge: \$75.26

Gallonage charge: \$2.64 per 1,000 gallons

Additionally, Staff confirmed that Mr. Collins' invoices also show that he was billed a pass-through gallonage fee. Monarch filed an application to implement a pass-through fee on February 20, 2019 in Tariff Control No. 49242; however, that proceeding is abated to allow the Commission time to rule on a related matter in Docket No. 49732, which is a formal complaint based on an informal complaint filed at the Commission. The conclusion of that informal complaint was determined on July 15, 2019. The conclusion contained the following statement, which addressed implementing the pass-through change prior to approval by the Commission:

Based on the investigation CPD has determined that Monarch Utilities I LP has not acted consistently with Substantive Rule §24.25 (b) (2)-Minor Tariff Changes.⁴

However, Monarch's response to Order No. 1 in Docket No. 49732, page 3, states,

The tariff allows Monarch to pass through charges, subject to an annual true-up adjustment and contingent on all notice requirements (PUC Substantive Rule 24.25(b)(2)(F)) being met. Specifically, the tariff states "The utility may begin to charge the new filed WPC on the proposed effective date of the notice." Monarch filed with the Commission an application for a passthrough gallonage charge on February 20, 2019 (Docket No. 49242). Included in the application was a notice mailed to customers in compliance with PUC Substantive Rule 24.25, which is also included in this filing as Exhibit C.⁵

Based upon review of the information submitted, Staff has determined:

1. Mr. Collins was correctly billed water and sewer base charges and gallonage charges based on Monarch's water and sewer tariffs and the reading they recorded on the meter; and
2. Mr. Collins was incorrectly billed a pass-through charge that has not been approved by the Commission based on 16 TAC § 24.25(b)(2) However, Monarch has a Commission-approved tariff that allows Monarch to charge the new WPC on the proposed effective date of the notice. Therefore, without a Commission ruling or legal opinion in Docket No. 49242, Staff is unable to opine on whether the approved tariff overrides the rule.

³ *Application of Monarch Utilities I, LP for a Minor Tariff Change for New Federal Tax Change Credit Rider*, Docket No. 48329, Water and Sewer Tariffs in Accordance to PUC's Final Order (February 25, 2019).

⁴ *Complaint of Paul Hawkins against Monarch Utilities I, L.P.*, Docket No. 49732, Response to Order No. 1, August 6, 2019 at 2-3.

⁵ *Id.*, Staff's Notice of Filing Informal Complaint Documents at 69 of 94, May 21, 2020.