



## Filing Receipt

**Received - 2021-10-11 01:00:07 PM**  
**Control Number - 51619**  
**ItemNumber - 37**

DOCKET 51619

REPLY TO RESPONDENT'S RESPONSE TO FORMAL  
COMPLAINT

10/11/21

**DOCKET NO. 51619**

**COMPLAINT OF JEFF CONNORS      §      PUBLIC UTILITY COMMISSION**  
**AGAINST THE GALLERY                      §**  
**APARTMENTS, ROSCOE PROPERTY §                      OF TEXAS**  
**MANAGEMENT, AND CONSERVICE §**

**REPLY TO RESPONDENT’S RESPONSE TO FORMAL COMPLAINT**

Preliminary Comments

In this submittal I will address the Respondent’s Response to Formal Complaint filed in Item 35 in the Docket. I will address the Respondent’s Motion for Leave to Serve Discovery in a separate submittal though this is also within the same document as the Respondent’s Response to Formal Complaint found in Item 35. I will also submit a Motion to Amend my Requested Relief in another filing.

For each Item in the Docket there are a pdf file and then a ZIP folder that may have additional files in it other than the pdf. I will notate references in the Docket by Item number and page number if it is in the pdf file and by Item number, file name, and possibly page number if it is contained in the ZIP folder. The page numbers I will be referring to in the pdf files are the page numbers of the pdf and not the ones numbered at the bottom of some of the pages of my submissions which are different from the pdf pages.

I. Respondent’s remarks about my Informal Complaint

In regards to my Informal Complaint, I requested to see the complex’s water billing records on February 28<sup>th</sup>, September 29<sup>th</sup>, October 8<sup>th</sup>, and October 21<sup>st</sup> of 2020 (Item 1- explanation on pages 7 and 8 and email evidence on pages 51 to 61) that The Gallery managed by Roscoe

Properties was obligated to provide me according to PUC Substantive Rule §24.277 (e), but Roscoe wouldn't provide them. So, I filed an Informal Complaint to the PUC on October 29<sup>th</sup>. Roscoe didn't respond to my Informal Complaint either though and Isabel Ford from the Consumer Protection Division of the PUC closed my Informal Complaint on 11/19/20 (Exhibit A with this submittal) and noted that The Gallery had failed to "act consistently with Substantive Rule §24.277 (e)" which means that they hadn't provided the water billing records that I requested.

Once The Gallery didn't respond to my Informal Complaint, I was forced to file a Formal Complaint in order to continue to pursue this matter, which I did on December 14<sup>th</sup>. On that day I also personally went into The Gallery's front office and gave Kimberly Hoffman, Roscoe's former community manager at The Gallery, a signed request asking to inspect the water billing records (Item 1 pages 59 to 61). I followed this up with an email to Ms. Hoffman that day noting that I had stopped in the front office and delivered a signed request to her to inspect water billing records. Again, my request wasn't responded to.

On January 6<sup>th</sup>, Roscoe Senior Regional Manager Courtney Gaines sent an email to PUC Investigator Isabel Ford and me (Item 10 - COMPLAINT # CP202010118 – Jeff Connors.msg). She wrote that Roscoe had done a thorough investigation and found themselves in compliance with PUC Rules and provided some billing documents, most notably City of Austin water bills and Conservice's calculations of my water and wastewater charges using the occupancy figures provided by Roscoe. Ms. Gaines claimed that she couldn't provide any information that I asked for regarding the *total amount billed to tenants each month for water/wastewater* and *total amount collected from tenants each month for water/wastewater* due to privacy concerns for tenants.

I thought Ms. Gaines was responding to my Formal Complaint because my Informal Complaint had been closed. I was surprised that Ms. Ford had reopened my Informal Complaint, I was never notified of that, and also with some of her findings in it, but the Informal Complaint was irrelevant anyway at that point because I'd already filed a Formal Complaint and, as Ms. Ford noted, one can file a Formal Complaint if they're not satisfied with the results from their Informal Complaint.

I particularly disagree with Ms. Ford that concerns for tenants' privacy is a valid excuse for not providing information on the total amounts that tenants were billed each month since there's no

need to include tenants' private information in that info and I also didn't ask for any tenants' private information in my request. Everything I asked for was taken straight from the PUC's *Tenant Guide for Allocated Water/Wastewater Service* and was all information that I had the right to examine. The privacy issue was completely contrived by Roscoe's Senior Regional Manager. There was no basis for it.

I also don't believe that an onsite property manager is exempt from providing water billing records for periods before they started managing the property. PUC Rule §24.277 (g) (2) distinctly states that if those records are not on-site then the owner should provide them to the on-site manager within 15 days of receiving a written request by a tenant. I'll also note that one of periods which I requested billing info for, the water bills from 9/8/19 to 10/3/19, was after Roscoe began managing the property and they still didn't provide that info. Finally, I would like to clarify that the entire period in which I was overbilled, October 2019 to May 2020, Roscoe was managing the property. The only reason I asked for billing records from before they managed it was to compare them with the way that Roscoe was billing.

## II. Respondents' contentions that that the increase in my water bills had nothing to do with the work that contractors did after Roscoe began managing the property

A portion of tenant water costs is tied to the amount of water the complex uses and the complex's water usage drastically increased during the eight months after that work was done and when I first requested to see water billing records in late February 2020 and Roscoe subsequently stopped doing daily irrigation. For example, my water usage costs from 2/12/20 to 3/13/20 (Item 1 page 28) was \$32.63 compared to between \$4 and \$5 in my water bills prior to that work being done. Then they plunged right back down to that level once Roscoe stopped doing daily irrigation.

For a visual representation as to how much the overall water usage increased after the contractor work done please look at the graph at the top left corner of page 43 of *Gallery Phase 2 Bills.pdf* (Item 10). The monthly water at the complex prior to August 2019, which is to the left of the A on the x-axis in the middle of the graph, was for the monthly water usage at the complex before Roscoe began managing the complex and that contractor work was done. There was daily irrigation during that time and the water usage averaged around 120K gallons/month. Now go to page 11 and look at that graph in the top left hand corner. You can see that after Roscoe stopped doing daily irrigation that the water usage starting with the 3/13/20-4/14/20 bill greatly decreased. Now if you go to page 35 and look at that graph you can see the excess water usage between the time that Roscoe began managing the complex and when I asked for the water

billing records in late-February 2020. That totals about 1.5 million gallons (Item 13 from page 14 E. to page 17 has explanatory text). Another perspective on it is that before the contractors' work the water used for irrigation was about 20K gallons a month, but by the end of February 2020 there was about that much water spewing from the irrigation system every day.

I'll also note that the increase in water usage particularly took a jump during that winter, which is consistent with cracks in the irrigation lines becoming worse due to freezes and Roscoe's failure to maintain the system.

### III. Respondent's claims that I overstated my water billing costs

The Respondent "denies that Complainant's water bill ever reached \$70.08."

The number I provided for my 2/13/20-3/13/20 entry in my list of water bills had water, wastewater, and drainage costs. I included those three charges in every monthly charge on page 5 (Item 1), which are the same three components that we are billed for in the monthly City of Austin water bills and what Performance Utilities billed us for prior to Roscoe managing the property. When I first submitted my Formal Complaint I was under the belief that the PUC regulated water, wastewater, *and* drainage billing, but have since found that they only regulate water and wastewater billing.

Taking that into account, the average of my water and wastewater bills in my November 2019 to May 2020 bills is \$41.43. My average monthly water and wastewater monthly bill after Roscoe stopped doing daily irrigation was \$15.42. Taking the difference between the two figures and multiplying that by seven months (November 2019 to May 2020) comes to \$182.14. Since Roscoe double billed me for the 7/16/19-8/14/19 City of Austin water bill in October 2019 that I had already paid with my September 2019 rent, I'll add on the full water and wastewater costs from that October 2019 rental bill which results in a total of \$205.66 that I was overbilled for water and wastewater from October 2019 to May 2020. So, the Respondents are correct that, using my method of estimating what I'm owed, \$216.72 is not the proper amount I was overbilled when taking only into account the water and wastewater billing. I will revise the amount that I'm owed in a Motion to Amend my Requested Relief.

I'll also note that if the Respondent is concerned about the accuracy of my figures, copies of all my water bills from 3/15/19 to 9/14/20 are in Item 1 pages 12 to 40 for them to dig into.

IV. The Respondent's claims that the increases in my water bills were "slight" and were due to the occupancy decreasing at The Gallery II due to COVID

Respondent claims that the increase my water bills was "slight" when my bills increased from what had averaged \$16.31/month for water and wastewater in the five months prior to Roscoe managing the property to \$52.26 by May 2020. Respondent then went on to claim that the increase in bills was due to a 44% decrease in the occupancy at The Gallery II from October 2019 to May 2020 when in fact over 90% of the units at The Gallery II were rented out in May 2020 according to Roscoe's spreadsheet that they submitted (Item 12 - *The Gallery – January to June 2020.xlsx*) and this can be derived by keeping in mind that The Gallery II is a 104 unit complex that consists entirely of 694, 630, and 391 sq. ft. apartments and The Gallery I consists entirely of different apartment sizes.

As a reminder, during the period that I was overbilled my water bills were calculated by a formula that took into account both occupancy, meaning the number of occupants in my unit compared to the total living in the complex, and the size of my apartment divided by the total of all the rented units in the complex. So, half of my bill was determined by the occupants in my apartment divided by the total occupants at the complex and the other half by my apartment size (my occupied space) divided by total amount of occupied space in the complex. As explained in Item 13 (pages 7 from B. to the end of C. on page 13 and pages 23 B. to 28), the numbers that Roscoe provided Conservice for occupancy contrasted from Roscoe's occupancy records found in *The Gallery – January to June 2020.xlsx* (Item 12 ZIP folder) as follows:

	<u>Occ. in billing</u>	<u>Actual Occ.</u>	<u>Occ. space in billing</u>	<u>Actual Occ. space</u>
February 2020	60	99	31,387	51,616
March 2020	55	106	28,978	53,874
April 2020	50	112	25,636	55,310
May 2020	44	114	22,900	56,698

As one can see, the numbers that Roscoe supplied Conservice understated the total occupants and occupied space in every month by a large amount, by at least 60%, which means that they were profiting off of their power to charge residents for a public utility by at least 60% during that period because what predictably resulted by understating those amounts is that Conservice

divided up the tenants' total responsibility for the bill by a smaller amount than Roscoe was billing for. For a simplified fictitious example, if the water bills were determined strictly by occupied units and tenants' collective responsibility for a bill was \$1000 and Roscoe told Conservice that there were 50 occupied units in the complex when there were actually 100, that means that each resident would pay \$20 (\$1000 divided by 50 residents) and Roscoe would be charging residents \$2000 (\$20 multiplied by 100 residents) for a \$1000 bill. That means that Roscoe could pay the \$1000 bill and put the other \$1000 in their pocket as a profit.

In the four months that I was overcharged prior to February 2020, Roscoe provided Conservice with the occupancy numbers of 78, 78, 70, and 68 respectively which is found on pages 1 to 8 in *HIMBC Unit 2-239.docx* (Item 10 ZIP). These numbers were also likely understated because from looking at *gl070 – 3506 Highlighted final summary – 9.4.19.xls* (Item 10 ZIP) and taking into account that my drainage bill of \$6.97 was the maximum amount possible for a single occupant since I live in the largest apartment unit at The Gallery II, there were 105 occupants at The Gallery II in August of 2019. And, as shown in the table above, there were 99 occupants at the complex in January of 2020. So, it's highly unlikely, especially considering Roscoe's proven proclivity to understate occupancy info to Conservice, that the occupancy dropped to 78 or less during that October 2019 to January 2020 time period.

The occupancy numbers used for calculating our water bills are obviously supposed to reflect the *actual* occupancy at the apartment complex so this violates both PUC Rules §24.281(e)(2)(A)(i) and (iv) which state:

(A) for an apartment house, the owner shall multiply the amount established in paragraph (1) of this subsection by:

- (i) the number of occupants in the tenant's dwelling unit divided by the total number of occupants in all dwelling units at the beginning of the month for which bills are being rendered;
- (iv) a factor using a combination of square footage and occupancy in which no more than 50% is based on square footage. The square footage portion must be based on the total square footage living area of the dwelling unit as a percentage of the total square footage living area of all dwelling units of the apartment house;

#### V. Applicable PUC Rules that The Gallery when it was managed by Roscoe violated and Roscoe's business relationship with Conservice



The Respondents contend that the “methods used by RPM through its third-party billing contractor, Conserve, for water allocations are in compliance with PUC rules and guidelines.”

As noted above, The Gallery, managed by Roscoe, violated §24.281 Charges and Calculations (e)(2)(A)(i) and (iv) for providing fraudulent occupancy data to Conserve that was used for our billing calculations. This led to residents being overbilled by as much as 150% over what they owed. Roscoe also violated PUC Substantive Rule §24.277 (e) by not responding to my five requests for water billing records in the prescribed time frame and also by refusing to provide requested water billing information for the periods before they managed the property.

Another PUC Rule Roscoe blatantly violated was §24.283 (d) (1) which states:

*Allocated bills shall be rendered for the same billing period as that of the retail public utility, generally monthly, unless service is provided for less than that period.*

Below are the dates, starting with the first month that Roscoe and Conserve were involved in our bills, of the water billing cycles on our monthly rental bills compared to those on their corresponding City of Austin monthly water bills to The Gallery II:

	<u>On rental bill</u>	<u>City of Austin bill</u>
October 2019*	8/14/19-9/8/19	7/16/19-8/14/19
November 2019	9/8/19-10/3/19	8/14/19-9/13/19
December 2019	10/3/19-10/29/19	9/13/19-10/14/19
January 2020	10/29/19-11/23/19	10/14/19-11/13/19
February 2020	11/23/19-12/18/19	11/13/19-12/13/19
March 2020	12/18/19-1/14/20	12/13/19-1/14/20
April 2020	1/14/20-2/12/20	1/14/20-2/12/20

In our rental bills from April 2020 onwards the water billing cycles on the rental bills have remained aligned with the City of Austin’s.

As one can see the water billing periods that Roscoe invented on our monthly rental bills were not “rendered for the same billing period as that of the retail public utility”. I cover this in great detail in Item 13 from the bottom of page 17 F. to page 20. I also prove in that text that Roscoe double billed us for the 7/16/19-8/14/19 City of Austin water bill in October 2019 that we had already paid for with our September 2019 rental bill.

The billing date discrepancies above can be verified by using the City of Austin bills to the complex (Item 32 ZIP Attachment D), Conservice’s billing charges to me that includes their calculations and figures used (Item 32 ZIP Attachment E), and my monthly bills from the complex (Item 1 pages 12 to 40). For a quick walk through on how to verify the discrepancies, if one goes to Item 32 ZIP Exhibit D page 55, the City of Austin water bill to the complex for 10/14/19-11/13/19 (circled on page), and adds up the water usage amounts next to 258,000 you will find that they add up to 1,224.61, as noted on the page. In Exhibit E page 7, which is my billing calculation from Conservice for January 2020, you’ll see 1,224.61 in the first box that is used to calculate my bills for that month. At the bottom of that page is the amount I paid for water that month: \$15.74. To verify that I paid that on my January 2020 rental bill we can go to Item 1 page 19 which is my rental bill for January 2020 and on page 20 you’ll see that \$15.74 was charged to my account for Water 4. Note that the billing cycle for the water charge (10/29/19-11/23/19) doesn’t match the City of Austin’s of 10/14/19-11/13/19.

For quick proof that Roscoe double billed us for the City of Austin’s 7/16/19-8/14/19, go through pages 15 to 18 in Item 1 and you’ll see that I paid for water each month in my October 2019 to December 2019 rental bills. Next go to page 14 in Item 1 and you’ll see the billing cycle 7/16/19-8/14/19 in which I paid with my September 2019 rental bill, which was the last one that the former property management company at The Gallery Valiant and former water biller Performance were part of, and you can verify that I was charged for that by going to Item 9 page 33 and looking in the ledger from Roscoe for 9/1/19 (Roscoe changed the water billing dates in the third column entry to 7/11/19-8/9/19).

So, I paid for the 7/16/19-8/14/19 City of Austin water bill with September 2019 rent and the 10/14/19-11/13/19 City of Austin water bill with my January 2020 rent, as I had noted before. There are three billing months (October, November, and December 2019) between September 2019 and January 2020 and I was charged for water during every one of them though there is only a two month space (8/14/19 to 10/14/19) in my City of Austin water bills. So, it goes to reason that I paid for the 9/13/19-10/14/19 City of Austin water bill with my December 2019 rent

and the 8/14/19-9/13/19 City of Austin water bill with my November 2019 rent. So, I must have been charged for the 7/16/19-8/14/19 City of Austin water bill, the one I had already paid for with my September 2019 rent, also with my October 2019 rent. Roscoe was managing the complex at the time that that 7/16/19-8/14/19 City of Austin bill came in and they must have submitted it to Conservice and have them bill us for it.

As I covered in Item 13 (the bottom of page 17 F. to page 20), Roscoe hid this by falsifying water billing cycles and shaving off 5 days from each water billing cycle from my October 2019 to March 2020 rent until they realigned with the City of Austin's. However this now placed renters a month and half behind the City of Austin's, instead of the half a month it was under Valiant and Performance. This places The Gallery in violation of §24.283 (b)(1) which states that: *"Allocated bills shall be rendered as promptly as possible after the owner receives the retail public utility bill."* Certainly, if Performance was able to render our bills within a half a month of the City of Austin's then it is possible for Roscoe, through Conservice, to do the same. I'll note that the complex is still not in compliance with this, our water bills still lag by a month and a half from the City of Austin's on our rental bills.

I want to emphasize that what Roscoe, a property management company, did by falsifying water billing date cycles that do not match with the City of Austin's is usurp the word of a regulated public utility that said that from this date to that date this complex used this much water. Roscoe essentially said, 'No, that's not actually what happened; that water was drawn from different dates and from a shorter period, 25 days'.

This delay of a month a half, as I mention in the aforementioned text in Item 13, places tenants in a position where they have an extra water bill waiting for them after they end their lease even though they've paid for water during the entire course of their lease. It also provides the property management company an opportunity to bill new residents for an extra bill by billing them for water after their first month renting at the complex, like most properties do, though it would in fact be for a water billing period in which the renter didn't live at the complex. So, in the end, the resident could end up paying for an extra month of water that would go straight into Roscoe's coffers.

This delay of a month leaves an extra water bill for ex-renters after they've already ended their lease and if they forget about it and don't pay it on time they'll possibly get late charges on it. If they forget to leave a forwarding address once they leave the complex and never pay it, they may

never know of it until after it damages their credit. And, if the renter leaves their auto-pay connected it also potentially empowers a property management company to tack on move-out charges in excess of the security deposit, charges that they should have to file a lawsuit to obtain, just by adding a move-out charge to their bill and then drawing the bill payment from their credit card or bank account. A credit card or a bank account isn't going to restrict the release of funds due to the limits on a security deposit it's unaware of.

That potentially changes the whole dynamics of a situation where, again, the landlord or property management company should have to go to court if they want to bill ex-tenants for move-out charges that exceed the ex-tenant's security deposit. Instead of the property management company having the burden to gather evidence to prove their case, to decide whether or not a lawsuit is worth it, and to file one if they decide it is, that full burden falls on the ex-tenant in order to try to get money back that's already been taken from them.

As mentioned earlier, Roscoe violated Substantive Rule §24.277 (e) by contriving a privacy excuse as a reason to conceal how much they collectively charged residents for water. In particular they violated PUC Rule §24.277 Owner Registration and Records subsection (e)(8) and (9) in which the on-site manager is supposed to make both the total amount billed to tenants each month for water/wastewater and total amount collected from tenants each month for water/wastewater available to residents.

Roscoe has never provided these total amounts that they charged residents for during the months that I was overbilled and their reasons for that range from privacy concerns to outright dishonesty. It's not hard to understand why: this information, if accurate, would prove that they overcharged residents because there is simply no way, as noted earlier, that they could have understated the occupancy to Conserve and not overcharged residents.

In Ms. Gaines' aforementioned email to the PUC and me on January 5<sup>th</sup>, she stated that Roscoe "can not provide data relating to other residents – both billed or collected amounts. Their privacy, as Mr. Connors, is our priority." They're still citing that now as a reason for why they didn't follow the PUC Rules.

And as I earlier pointed out, neither was it necessary to include residents' private info in providing this info nor did I ask for any private info. I literally used language straight from the PUC in requesting this info (Item 1 page 60) by asking for the "total amount billed to tenants each month for water/wastewater" and "the total amount collected from tenants each month for water/wastewater".

Meanwhile, supposed tenant privacy champion Roscoe themselves later submitted to the Docket (Item 10 - *gl070 – 3506 Highlighted final summary – 9.4.19.xls*) a spreadsheet of the last monthly bill administered by Valiant and Performance that had in it exactly what they said in that January 5<sup>th</sup> email they couldn't provide. Looking at that spreadsheet, Cell A1 states that it is for the water billing from 7/16/19-8/14/19 and in the spreadsheet are The Gallery residents' names, their addresses, and the amount they got billed for water, exactly what Roscoe claimed they wouldn't do. So, obviously Roscoe was not as consumed with resident privacy when it involved billings from the previous property management and water billing company, only when it came to denying me access to their own billing records.

Furthermore, I sent an email to Ms. Gaines on February 1<sup>st</sup> (Item 12 - *Request to see info ...*) requesting that info again and specifically stated that I was not asking for any resident private info within it. I wrote "(t)o prevent any misunderstandings, I am not asking to see each tenant's bills during those months, but instead the total amount that was billed to residents during those monthly periods for water, wastewater, and drainage."

Ms. Gaines responded to that email (Item 12 - *\_COMPLAINT# ...*) by submitting a spreadsheet (Item 12 - *The Gallery ...*) with occupancy info in it and six pdfs (Item 12 - *gl070 ...*) that had the monthly City of Austin water bills for both 3506 Menchaca Road (The Gallery II) and 3622 Menchaca Road (The Gallery I). The pdfs have the separate water bills from each side of the complex as one would expect because each side of The Gallery are on their own separate main water meters.

Within the spreadsheet there are seven worksheets. Six of the worksheets contained the occupancy info for both The Gallery I and II residents for the months of January 2020 to June 2020. The other worksheet is labeled *Summary* which have the totaled billed amount for water, sewer, and drainage for the months of January 2020 to June 2020 that Ms. Gaines implied contained the amounts billed to both The Gallery I and II together. In other words, she implied

that the amounts in that spreadsheet had both The Gallery I and II residents' total amounts mixed together into one sum by stating:

“As requested, attached are the billing summaries from January - June 2020. Conservice currently bills phase 1 and 2 separately but did not at that time. Please note that both phases use the same bills for resident billing. We have broken down the expense and the actual total billed to residents for the requested time frame.”

Below those statements in the email were those totals found in the *Summary* worksheet.

Those statements range from misleading to blatantly untrue, as I covered in Item 13 on pages 28 to 29. Again, there are two phases to The Gallery, now named Motif South Lamar: Gallery I at 3622 Menchaca Road and Gallery II at 3506 Menchaca Road, but again each are on separate water meters, as is clear in the pdfs that Roscoe Senior Regional Manager Courtney Gaines submitted within Item 12 that has pdfs for each phase, and each phase gets billed separately.

These falsehoods can be untangled by opening any of the gl070 pdfs attached to the email. Each of these pdfs have the City of Austin water bills for a given month for both The Gallery I and II that Roscoe combined into one pdf. To verify that I'm correct in regards to the spreadsheet that Ms. Gaines provided, you can open gl070 WSD 0220.pdf. The water billing info for 3506 Menchaca (Gallery II) is on pages 2 to 4 in the document and 3622 Menchaca (Gallery I) runs from pages 6 to 8.

On page 8, if you add up the first five components of the water bills ( $\$25.40 + 83 + 810.87 + 26.85 + 8.95$ ) you will get the sum of \$955.07, which is found in the table in the email, as well as in the spreadsheet, for the *Total Expense* under the *Water* heading for the month of March 2020, which apparently was when that water bill was charged to Gallery I residents. So, that number only contains the total that The Gallery I residents were charged, not both The Gallery I and II.

To further verify that The Gallery I and Gallery II residents did not in fact “use the same bills for resident billing” you can look at page 3 of that pdf and add up the three numbers to the right of 408,600 Gallons. These are the amounts used to calculate The Gallery II resident's water usage portion of their water bills. When you add those three numbers together ( $\$1,850.96 + 61.29 + 20.43$ ) you get \$1932.68. Then go Item 32 - Attachment E page 11, which covers the calculations that Conservice used to determine the water bills for my apartment in my March

2020 bill, and you'll notice \$1932.68 is in the first row second column. As one can see, that number was not a combination of the City of Austin water bills for both 3622 Menchaca Road and 3506 Menchaca Road, only for The Gallery II at 3506 Menchaca.

So, in regards to the totals I requested, first of all, again there is no reason that any private info has to be included in the totals that The Gallery II residents were billed and I didn't ask for that anyway though Roscoe is still clinging to that as an excuse for not following PUC Rules. Then Roscoe actually did provide people's names with their bills in the spreadsheet they submitted to the Docket that came from Valiant in the last bill that Valiant and Performance were involved in. Furthermore, when I specifically stated that I didn't want any private information in my request for that info, Roscoe provided monthly billed totals that only included the amounts billed to The Gallery I residents and not The Gallery II though they claimed those totals included them.

Now let's think about that spreadsheet. It has seven worksheets in it. Six of them have the monthly occupancy info in them for both The Gallery I and II residents from January 2020 to June 2020. The other one has the total amounts billed only to The Gallery I residents from January 2020 to June 2020 though Roscoe claimed they are for both I and II. I'll note here that there is nothing substantiating these figures that The Gallery I were billed for, they are apparently just typed in and the monthly worksheets don't have the amounts each resident was billed for like the Valiant spreadsheet did. But let's be gracious and accept that those numbers are accurate. What's missing from the spreadsheet? I'd say The Gallery II totals that residents were billed for water. Roscoe provided that info for The Gallery I so there shouldn't be any reason why they can't provide it for The Gallery II, but for some reason that's not included in that spreadsheet.

Again, Roscoe has never provided that information. Best case is that the worksheet for The Gallery II totals somehow tore off and blew away in the wind and they lost it. Worst case is that they refuse to provide it because it would reveal that they overbilled residents, which is a mathematical certainty by the understated occupancy amounts that Roscoe provided Conservice.

So, even though, at best, Roscoe does not have this information, that it got electronically lost somehow, and they have no record as to how much they billed Gallery II residents, what Roscoe does claim to "know" though, what they claim with absolute certitude, is that they didn't overbill The Gallery II residents.

Why are they so certain? How could they be certain? Because they contract with Conservice to do the water billing and Conservice is “a highly respected utility billing provider fully registered with the PUC” as Ms. Gaines is apt to state. That’s what it always comes down to with Roscoe ... claims that Conservice does their water billing ... and Roscoe twists this into some sort of supposed virtue, that they are standing by the company they contract with for water billing and they have absolute confidence in Conservice’s work. But silently implied in that is that if there were some billing errors, it’s Conservice’s fault because Roscoe pays them to do the job.

If you went into the front office at The Gallery when it was managed by Roscoe and asked about water billing, like I did, it wouldn’t be so silently implied though, it would be flat out stated that “Conservice does our water billing - contact them about it” and they’d give you the phone number of Conservice’s customer service. And then if you called Conservice you’d wait on hold for about an hour to hear them tell you that they are third party billing providers and are contracted by your property management. So, in addition to the money that Roscoe stole off you by overbilling you for water, you’d have an hour of your time stolen off of you as well sitting on hold. After a round or two of going back and forth between Roscoe and Conservice, and both of them pointing you back in the direction you came from, most folks would give up and stop pursuing the matter.

But what does Conservice actually do for Roscoe? Well, they do the monthly water billing calculations as indicated in the documents I received from them and then they email tenants their monthly bills each month, which has those water charges on it as well as the rent, the drainage charges which Roscoe does, and the other fees we pay each month. It’s also worth noting that the water billing date cycles are also on those bills that we are emailed by Conservice.

So, from the outside it appears that Conservice receives the water bills from the City of Austin, does all the calculations based upon occupancy data for the complex that they have on-hand, which includes the residents’ rosters with email addresses and whatnot, and then they email them to residents every month. From that view, and that is a view that Roscoe very much encourages, it appears that this whole operation was one service that Conservice provided Roscoe. But it very likely was not.

If Conservice had all that information and was calculating the water bills with drastically different occupancy info than they had on-hand then they’d be taking on large amounts of civil and legal liability. They’d be, at the very least, facilitating fraud. Not to mention that they’d



also be falsifying billing dates from a public utility. But Conservice has been around for over 20 years, so it's doubtful that they'd be that reckless and still survive that long.

So, what does Conservice *actually* do for Roscoe? Well, let's go back to what the Respondents wrote in their Conclusion section of their Response on 10/4/21: "*The methods used by RPM through its third-party billing contractor, Conservice, for water allocations are in compliance with PUC rules and guidelines.*"

All that statement truly amounts to is that Conservice uses the correct *formulas* to calculate residents' bills. And they do. That was shown in their documents of my bills. Though the occupancy numbers themselves used by Conservice during that period I was overbilled were fraudulent, the formulas used were indeed correct.

I suggest that what Conservice very likely did for Roscoe during the periods that I was overbilled was provide two distinct, separate services, not one continuous one:

1. Conservice received the City of Austin water bills for the complex and calculated the water bills for the different occupancy combinations at the complex, essentially the water bills for a 694 sq. ft. apt. - single occupant, 694 sq. ft. apt. - double occupant, 630 sq. ft. apt. - single occupant, etc. These calculations, of course, were based upon fraudulent occupancy info that Roscoe provided
2. Then they gave this information *back* to Roscoe and Roscoe plugged those figures into a spreadsheet of The Gallery II residents based upon each unit's occupancy info (number of occupants and apartment size) and then added on other fees and rent to each unit's ledger, including the drainage billing that Roscoe did. I'll mention that it was during this process that Roscoe likely falsified the water billing dates so they could conceal the double billing of residents for that 7/16/21-8/14/21 City of Austin water bill.
3. Now once Roscoe plugged these water billing amounts into residents' ledgers on the spreadsheet, if they were being responsible stewards towards their tenants and not predatory, they would have checked to see if The Gallery II totals for the water billing matched the totals that the tenants were financially responsible for in the monthly City of Austin water bills to ensure that they were equal so that tenants weren't being overbilled for water, but Roscoe didn't do that because the whole purpose behind understating those occupancy numbers to Conservice was so that Roscoe could profit off of overcharging their residents for billing them for a public utility.
4. Then Roscoe sent the bills with the resident email addresses they should be emailed to back to Conservice and Conservice just emailed them out. That was the other service that

Conservice provided Roscoe. Conservice didn't check to see if the amount of bills they were sending out correlated with the occupancy info that Roscoe had provided Conservice earlier. Nor did they check to see if the amounts that were billed out for water to residents exceeded the City of Austin bill. It wasn't their job. It was a completely different service. And it's never been their job to check that. They have no responsibilities to the lease and in fact likely did nothing illegal.

So, when Roscoe cited their faith in Conservice, their third party billing provider, they weren't actually standing *by* them, they were *hiding* behind Conservice, a company in which the PUC has no jurisdiction over in this matter, by implying that Conservice was fully responsible for the water billing and Roscoe had nothing to do with it. But that was almost definitely not the case. All Conservice did was calculate the water billing amounts for each occupancy situation (number of occupants and apartment size), provide that to Roscoe, and then Conservice later emailed out the residents' bills that Roscoe provided back to them.

I'll also note here, as I did on the cover page of my initial Formal Complaint (Item 1 on page 2) and Item 13 on page 29 that my account number with Conservice was 23332691 when Roscoe first started billing through them at The Gallery until November 2020. And then shortly after I resumed my efforts to get water billing info from Roscoe in the Fall of 2020 the account number was changed to 26258106 so Roscoe may have changed their contract at that time with Conservice as well.

So, to reiterate, Roscoe has never provided the *total amount billed to tenants each month for water/wastewater* and *the total amount collected from tenants each month for water/wastewater* to me for any of the months they overbilled me for although I have asked for them in my Relief Requested and other times. They've contrived privacy excuses and then falsehoods that this info was tucked into the totals at The Gallery I. And they won't provide those totals because if they did and they are accurate, substantiated by amounts billed to each Gallery II resident at that time, they'd reveal that they profited off of their tenants by overbilling them for a public utility. It's mathematically undeniable, from the info I got from Conservice and Roscoe, that they overcharged us because the numbers they provided Conservice for occupancy over that time were fraudulent, and in a big way: 44 occupants when it should have been 114, 50 occupants when it should have been 112, etc..

## VI. Summary

The Respondents request that the Commission Staff change their position and revert back to the determinations made on my Informal Complaint by a PUC Investigator that was made back in January of this year before any of the evidence in this case was ever analyzed and commented on. The sum validity of the arguments they use to support this drastic change amount to a total of \$11.06, the difference between \$216.72 and \$205.66.

On the other side of the ledger is:

1. The over \$15,000 that Roscoe systematically overbilled The Gallery II residents in the course of charging them for a public utility as well as the money they overbilled The Gallery I residents for since at the very least Roscoe almost definitely double billed them too for their September 2019 water bill since their water bills lag the City of Austin's by over a month and a half (Item 13 pages 20 II. to 23 – explanatory text).
2. The excess flow of 1.5 million of gallons of City of Austin water that was wasted by Roscoe during this endeavor (Item 13 pages 14 E. to 17 – explanatory text).
3. The PUC Rules that Roscoe blatantly violated in the course of systematically overcharging Gallery II residents by providing fraudulent occupancy information to Conservice, falsifying water billing dates to double charge us for a bill we had already paid, failing to respond to my five requests for water billing information within the prescribed response times, and never ever providing the total amounts that they billed Gallery II residents during the eight months they overbilled us. These violations are as follows:
  - a. PUC Substantive Rule §24.277 (e) – for failing to provide any water billing records on my five requests prior to filing my Informal and then my Formal Complaint, which was well after the prescribed response times.
  - b. PUC Substantive Rule §24.277 (e)(8) and (9) - for never providing any information to me on my requests to see *the total amount billed to all tenants each month and total revenues collected from the tenants each month to pay for water and wastewater service.*
  - c. PUC Rule §24.281(e)(2)(A)(i) – for supplying fraudulent numbers to Conservice for total occupants which led to residents being overbilled.
  - d. PUC Rule §24.281(e)(2)(A)(iv) - for supplying fraudulent numbers to Conservice for total occupied space which led to residents being overbilled.
  - e. PUC Rule §24.283(d)(1) – for falsifying water billing periods which was used to double bill Gallery II residents for the 7/16/19-8/14/19 City of Austin water bill in our October 2019 bill that we had already paid in September 2019 and then concealing it by shortening water billing cycles by five days for six monthly bills until our water bills realigned with the City of Austin's, though now a month and a half behind.

- f. PUC Rule §24.283(b)(1) – for placing us a month and a half behind the City of Austin by double billing us and therefore not rendering our allocated bills “*as promptly as possible after the owner receives the retail public utility bill*”; and I’ll also add:
- g. PUC Rule §24.283(k) – which states “*(i)f the overbilling or underbilling affects all tenants, an adjustment must be calculated for all of the tenants’ bills*”; for not paying back all of the money they owe The Gallery II residents for overbilling us on our allocated water bills.

I look forward to the PUC addressing this situation. These are cut-and-dried PUC Rule violations and the proof is supplied and/or derived by (1) City of Austin water bills; (2) my unit’s water billing information from Conservice that have the formulas and occupancy information on them used to calculate my allocated water and wastewater bills; (3) my monthly rental bills from Roscoe and Conservice that include water billing amounts and billing cycles; (4) spreadsheets that Roscoe supplied that have monthly occupancy and billing information; (5) emails from Roscoe’s Senior Regional Manager Courtney Gaines; and (6) email proof of my unrequited requests to get water billing information from Roscoe.

I’ve been told by the PUC that I can’t ask in the Requested Relief of my Formal Complaint for Roscoe to pay every Gallery II resident back the money they overbilled them and I also know that the PUC’s power is limited, but PUC Rule §24.283(k) exists and there ought to be some way for the PUC to get The Gallery ownership, now Motif South Lamar, to credit the amount they overcharged residents for water as well as some way to get them to get back in compliance with PUC Rule §24.283(b)(1) and bill us as soon as possible after the City of Austin water bills arrive so we’re not a month and a half behind them and don’t have to deal with the potential problems that that can cause tenants when they leave.

I also hope that the PUC takes some measure(s) to notify Roscoe’s senior executives and/or legal department of these activities so that they can’t hide behind an outside legal firm and claim that they are unaware of these predatory tactics that are deployed by Roscoe’s property management teams so that when and if this happens again they will have some legal and/or civil liability because it is extremely unlikely that this was the only time and place that these sophisticated operations were used by Roscoe to overbill their tenants for the use of a public utility.

I will email [frontdesk@roscoeproperties.com](mailto:frontdesk@roscoeproperties.com), [Service@conservice.com](mailto:Service@conservice.com), and [liu@hooverslovacek.com](mailto:liu@hooverslovacek.com) to inform them of this submission to the docket.

Respectfully submitted,

Jeff Connors

3506 Menchaca Road

Apt. 239

Austin, TX 78704

(509)990-2154

[jeffc\\_419@hotmail.com](mailto:jeffc_419@hotmail.com)

MR JEFF CONNORS  
3506 MANCHACA ROAD APT 239  
AUSTIN TX 78704

**DeAnn Walker**  
Chairman

**Arthur C. D'Andrea**  
Commissioner

**Shelly L. Botkin**  
Commissioner

**John Paul Urban**  
Executive Director



**Greg Abbott**  
Governor

## *Public Utility Commission of Texas*

---

11/19/2020

Mr Jeff Connors  
3506 Manchaca Road Apt 239  
Austin TX 78704

RE: Complaint # CP2020101118

Dear Mr Connors:

The Customer Protection Division (CPD) of the Public Utility Commission of Texas has received your correspondence regarding the conclusion of your informal complaint with The Gallery II Apartments. In your complaint, you expressed concerns regarding the allocation of your water service. CPD's investigation found The Gallery II Apartments failed act consistently with Substantive Rule §24.277 Owner Registration and Records subsection (e).

Given that CPD has concluded the informal complaint process, you may dispute the issue further by filing a formal complaint through the commission. An informational brochure explaining the formal complaint process is enclosed.

We appreciate the opportunity to assist you. If you have any questions about filing a formal complaint, please feel free to call toll-free at 1-888-782-8477.

Sincerely,

Isabel Ford  
Customer Protection Division  
Public Utility Commission of Texas

cc: The Gallery II Apartments

Enclosure



Printed on recycled paper

An Equal Opportunity Employer