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Received - 2023-02-09 02:42:03 PM
Control Number - 52370
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Peter M. Lake
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Kathleen Jackson
Commissioner



Greg Abbott
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Thomas J. Gleeson
Executive Director

Public Utility Commission of Texas

TO: Central Records

FROM: Office of Policy and Docket Management

DATE: February 9, 2023

RE: Correspondence related to Docket No. 52370, Application of East Houston Utilities Inc. for Authority to Change Rates

Chairman Lake, Commissioner McAdams, Commissioner Cobos, and Commissioner Jackson received the attached correspondence pertaining to the above-styled docket.

Please note that a member or employee of a state agency assigned to render a decision in a contested case may not directly or indirectly communicate in connection with an issue of fact or law with any state agency, person, party, or representative of those entities, except on notice and opportunity for each party to participate. See Administrative Procedures Act, Texas Government Code § 2001.061.

Commission Advising is filing the correspondence. Parties will not be served copies of the attached document but can access it through the PUC Interchange at <http://interchange.puc.texas.gov/>.

cc: All Parties

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q:\cadm\memos\exparte\52370 ex parte email.docx



Creighton McMurray

From: Kathy Carrell <kathywcarrell@aol.com>
Sent: Thursday, February 9, 2023 10:20 AM
To: ChairmanLake; CommissionerMcAdams; Lori Cobos; Kathleen Jackson
Subject: Docket 52370 - East Houston Utility vs Whitewing Subdivision

 Some people who received this message don't often get email from kathywcarrell@aol.com. [Learn why this is important](#)

WARNING: EXTERNAL SENDER. Always be cautious when clicking links or opening attachments. NEVER provide your user ID or password.

HELP!!!!

I do not believe that the PUC has followed Texas Water Code Chapter 13 directions for rate increases. Our subdivision is in trouble!!! The PUC came up with what they considered for a fair and reasonable rate of \$163.00 as a monthly base rate. Which is extremely unreasonable in our area. Please read the emails I have attached.

I can not get Marisa Wagley or Kevin Bartz to respond to my concerns.

It is the PUCs responsibility to ensure customers are not charged unreasonable amounts. This is not happening for our subdivision.

Thanks!!!
Kathy Carrell
9364020613

Sent from my iPhone

Begin forwarded message:

From: Kathy Carrell <kathywcarrell@aol.com>
Date: February 2, 2023 at 5:36:26 AM CST
To: Marisa Wagley <Marisa.Wagley@puc.texas.gov>
Cc: Kevin Bartz <Kevin.Bartz@puc.texas.gov>
Subject: Docket 52370 - East Houston Utility vs Whitewing Subdivision

Hi,

We are out of time, East Houston came back with an offer earlier this week and wants an answer by tomorrow.

You have reviewed the docket and spoken with Kevin by now, what are your thoughts?

Thanks..
Kathy Carrell

Sent from my iPhone

On Jan 30, 2023, at 10:49 AM, Marisa Wagley <Marisa.Wagley@puc.texas.gov> wrote:

Hi Ms. Carrell,

Thanks for the inquiry let me look into this docket determine where the case is at and confer with Kevin B.

Sincerely,
Marisa Lopez Wagley

From: Kathy Carrell <kathywcarrell@aol.com>
Sent: Monday, January 30, 2023 10:20 AM
To: Marisa Wagley <Marisa.Wagley@puc.texas.gov>
Subject: Fwd: Docket 52370 - East Houston Utility vs Whitewing Subdivision

You don't often get email from kathywcarrell@aol.com. [Learn why this is important](#)

WARNING: EXTERNAL SENDER. Always be cautious when clicking links or opening attachments. NEVER provide your user ID or password.

Got your name wrong, sorry about that.... so resending

-----Original Message-----

From: Kathy Carrell <kathywcarrell@aol.com>
To: Bernice.Cox@puc.texas.gov <Bernice.Cox@puc.texas.gov>;
Marisa.Wager@puc.texas.gov <Marisa.Wager@puc.texas.gov>
Sent: Mon, Jan 30, 2023 9:09 am
Subject: Fwd: Docket 52370 - East Houston Utility vs Whitewing Subdivision

Hi,

This rate is for water ONLY>>>

Since Kevin is not in, I wanted to send my concerns and thoughts so hopefully someone will take what I am saying seriously.

I do not think that the PUC is following what the Texas Water Code Chapter 13 is intending for you to do.

The PUC is suppose to operate as the competition, since with a CCN, you can consider East Houston Utilites as being a monopoly.

At the rate that I was told the PUC came up with \$163.00 for a base, that is not considered a competitive rate in our area. Several of us (Whitewing Subdivision Residents) have called around and we can NOT find one water utility in our area that has a base rate higher than the \$50.00 range. Most are in the \$30.00 range. Our subdivision has offered a counteroffer of \$50.00 as a base with 3000 gallons. East Houston Utilities is looking at it. But with the PUC rate being so HIGH, if we end up going before a judge, it is going to be hard to compete with your findings, since the judge is going to think the PUC knows what they are doing. I know I am being harsh, but I am extremely frustrated, I talked to Kevin one time at the very beginning of this rate increase activity, but Kevin has not responded to my later emails, nor can I get a call back from his paralegal. So, the rate I am using is what I heard from the Whitewing persons that are attending the negotiations, and Kevin would not confirm the rate for me, since he never responded to my emails.

No matter what East Houston Utilities has come up with for their expenses, they did not pay for the water utility that the Whitewing Subdivision uses, it was GIFTED to them by Fred and Marilyn (previous owners), nor has East Houston Utilities put out money for any major expenditures except putting in a second well that we do not need. We tried to get East Houston Utilities to put in a generator instead because we lose power out

here quite often and then we have no water. In the END, it is NOT the responsibility of of the Whitewing residents to make up for East Houston Utilities having bad management practices.

I agree that East Houston Utilities needs to increase the rate some, but it needs to be reasonable per Texas Water Code Chapter 13 and anything above the \$50.00 range I would NOT consider reasonable, because nobody else in this area charges more than that.

I don't know how you guys can fix this, but please do.

Thanks!
Kathy Carrell

-----Original Message-----

From: Kathy Carrell <kathywcarrell@aol.com>

To: kevin.bartz@puc.texas.gov <kevin.bartz@puc.texas.gov>

Sent: Sat, Jan 28, 2023 5:30 pm

Subject: Docket 52370 - East Houston Utility vs Whitewing Subdivision

Hi,

I have been thinking about why the PUC would come up with such a large rate increase for East Houston Utility.

I have come to the conclusion that somewhere along the way that our attorney (you), have lost sight of what your responsibilities are towards your customers (us).

So, I think that since East Houston Utility is considered a monopoly according to the Texas

Water Code, Chapter 13, Section 13.001 (b) and you are considered our counsel per Sec13.017 (b), that I should include the document for you to read your responsibilities and refresh your memory on what your role is in these proceedings.

The rate of \$163.00 per 5000 gallons of water that I understand the PUC came up with, is not considered just and reasonable for the consumer as described in Section 13.001 (c). I called around in our area and could not find one water utility that was above \$50.00 range. I would like you to point out in our area (Dayton, Texas) a rural water utility that charges this rate, since you seem to think it is just and reasonable. Do you pay this much for water? There are several rural utilities in our surrounding area, so you shouldn't have any trouble finding one.

The other utilities the PUC used for comparisons to come up with the \$163.00 do not even compare to our rural community water system. They

also are not all even in the state of Texas.

The rural utility which is closest to us is, AquaTech and their rates are \$38.50 for 0 gallons of water and then \$2.96 per each additional 1000 gallons. This rate is just and reasonable and I bet they weren't even "gifted" their utility like East Houston was.

Regards,
Kathy Carrell