



Control Number: 52493



Item Number: 1

DOCKET NO. _____

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COMPLAINT OF
BRAD WHITE AGAINST
ARLEDGE RIDGE WSC

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PUBLIC UTILITY COMMISSION
OF TEXAS

FORMAL COMPLAINT

Through his undersigned legal counsel, Complainant Brad White files this Formal Complaint against Respondent Arledge Ridge WSC for failure to provide water service to his residence in violation of Texas Water Code § 13.250 and 16 Texas Administrative Code (TAC) § 24.161 and § 24.247.

I. PARTIES

Mr. White owns a residence at 485 County Road 4264, Leonard, Texas. The Respondent is a retail public utility providing water service under CCN No. 10175.

II. JURISDICTION

The Public Utility Commission of Texas ("Commission") has jurisdiction over this matter under Texas Water Code § 13.041 and § 13.250 and 16 TAC § 24.161 and § 24.247. Arledge Ridge WSC is a retail public utility and a water supply corporation as defined in Texas Water Code § 13.002(19) and (24) respectively. It provides water service in Fannin County, Texas under CCN No. 10175.

III. FACTUAL BACKGROUND

Mr. White began construction on his residence in March 10, 2021. Neighbors on either side of Mr. White's property receive active water service from Arledge Ridge WSC, and his residence is within Arledge Ridge WSC's service territory. During the construction of his residence, Mr. White contacted Arledge Ridge WSC by phone to inquire about obtaining water service. Arledge Ridge WSC claimed that the 2 ½" water supply line that would serve Mr. White's

residence currently served seventy people and lacked the capacity to provide service to any additional customers. Arledge Ridge WSC acknowledged that it was working on a two-year plan to upgrade the service line supplying the area. However, it stated it lacked the capacity to serve Mr. White at this time and that it was not required to provide him with water service within a shorter time period. Instead, Arledge Ridge WSC informed Mr. White that if he wanted water service for his residence sooner, he would be required to pay \$100,000 to upgrade the line. However, the Arledge Ridge WSC did not provide a written invoice for these costs. Mr. White has no other viable options to receive water.

Arledge Ridge WSC's main water line is approximately 0.45 miles from the Mr. White's residence. A 2 ½" feeder pipe branches off from the main water line at State Highway 78 and County Road 4264, and runs near Mr. White's residence.

IV. PROCEDURAL BACKGROUND

A. Informal Complaint

On July 8, 2021, Mr. White filed an informal complaint with the Commission's Consumer Protection Division (CPD), alleging that Arledge Ridge WSC had refused to provide water service in violation of Texas law and Commission rules. CPD forwarded the complaint to Arledge Ridge WSC with a request to research the complaint and file a response. In a letter dated July 12, 2021, CPD advised the Mr. White that Arledge Ridge WSC failed to act in accordance with with 16 TAC § 24.161 and was required to provide his residence with water service. In spite of CPD's determination, Arledge Ridge WSC has not indicated it is willing to provide Mr. White with water service in the immediate future. Instead, it alleges the Mr. White must either wait two years for it to upgrade its system or pay \$100,000 to fully upgrade the system.

B. A Formal Complaint is Warranted Because Arledge Ridge WSC Continues to Refuse to Provide the Complainant with Water Service within Thirty Days, As Required by the Commission Rules

The Texas Water Code requires a retail public utility to provide continuous and adequate utility service to every consumer within its certificated service territory.¹ Furthermore, a retail public utility must serve every qualified service applicant who has met all the retail public utility's requirements contained in its tariff, schedule of rates, or service policies under 16 TAC § 24.161(a) and § 24.247(a). Specifically, every retail public utility must serve each qualified service applicant within its certificated area as soon as is practical after receiving a completed application.² A request for reconnection at a location that does not require a tap or line extensions must be honored by the utility within one working day after the applicant has submitted a completed application for service and met any other requirements in the utility's approved tariff.³ If the request requires a tap but does not require line extensions, construction, or new facilities, the utility must fulfill the request within five working days after receiving an application for service.⁴ If construction is required to provide service, and if it cannot be completed within 30 days, the retail public utility must provide a written explanation of the construction required and an expected date of service. Except for good cause shown, the failure to provide service within 30 days of an expected date or within 180 days of the date a completed application was accepted from a qualified applicant may constitute refusal to serve.

Commission records show that Mr. White's residence is within Arledge Ridge WSC's service territory. Construction will be required to connect Mr. White's residence to the water line.

¹ Texas Water Code § 13.250(a) and 16 TAC § 24.247(a).

² 16 TAC § 24.161(a)(3).

³ 16 TAC § 24.161(a)(4).

⁴ 16 TAC § 24.161(a)(5).

However, Arledge Ridge WSC has represented to Mr. White and CPD that it will not serve Mr. White within 30 days as the rules require when construction is necessary to connect the customer for water service. Arledge Ridge WSC has not shown good cause for the delay.

Mr. White filed a formal application for water service with Arledge Ridge WSC on August 25, 2021.⁵

C. A Formal Complaint is Warranted Because Arledge Ridge WSC has not Demonstrated That It Is Exempt from the Requirement that It Provide Water Service to All Customers Within Its Service Territory

A water supply corporation organized under Texas Water Code Chapter 67 is not required to extend retail water service to a customer within its service territory if it documents that:

- (1) the developer of the subdivision has failed to comply with the subdivision service extension policy of the corporation or special utility district as set forth in the tariff of the corporation or the policies of the special utility district; and
- (2) the service applicant purchased the property after the corporation or special utility district gave notice as provided by this section of the rules of the corporation or special utility district applicable to service to subdivisions from the corporation or special utility district.⁶

Arledge Ridge WSC's tariff indicates that it is a water supply corporation organized under Chapter 67. However, it has not provided documentation demonstrating that it has met the requirements in the Texas Water Code that would permit it to deny Mr. White standard residential water service. Arledge Ridge WSC is therefore required to provide Mr. White with water service as required by Texas law and Commission rules.

⁵ Attachment A.


⁶ Texas Water Code § 13.2502.

V. PRAYER FOR RELIEF

For the reasons set forth in this Formal Complaint, Complainant Brad White respectfully requests that the Commission order Arledge Ridge WSC to provide water service to his residence at 485 County Road 4264, Leonard, Texas without delay.

Dated: September 1, 2021

Respectfully submitted,



CAREY OLNEY | SBN: 24060363
colney@dwmrlaw.com

DUGGINS WREN MANN & ROMERO, LLP

600 Congress | Ste. 1900 | Austin, TX 78701

T: 512.744.9300 | F: 512.744.9399

Attorney for Brad White

CERTIFICATE OF SERVICE

I hereby certify that on September 1, 2021, notice of the filing of this document was provided to Arledge Ridge WSC, in accordance with the Second Order Suspending Rules issued in Project No. 50664 and the Texas Rules of Civil Procedure, via electronic mail and U.S. mail as follows:

Arledge Ridge WSC
P.O. Box 233
Bailey, Texas 75413
arwatersupply@aol.com



Carey Olney

Brad White
15540 Quorum Drive #2624
Addison, TX 75001

8/25/2021

Arledge Ridge Water Supply Corporation
Membership Services
P.O. Box 233
Bailey, TX 75413

RE: Application for Membership and Water Service from Arledge Ridge Water Supply Corporation

To Arledge Ridge Water Supply Corporation, Membership Services:

I have attached my completed application and signed service agreement for standard water service from Arledge Ridge WSC to my residence at 485 County Road 4264, Leonard, Texas.

I understand that under Section G (Rates and Service Fees) of Arledge Ridge WSC's current tariff on file with the Public Utility Commission of Texas (Docket No. 44225), fees in the amount of \$3,000 are due after my application for service is approved, but before work commences to establish water service to my residence. I am prepared to transfer these funds to Arledge Ridge WSC as soon as my membership is approved.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brad White', is written over a horizontal line.

Brad White

Membership Signup Sheet For Arledge Ridge Water Supply Corporation

Name (Print) Brad White

Address (Print) **485 County Road 4264 / Leonard, TX 75452**

Phone Number **214-707-7601** Spouse's name _____

Property Owner and address if other than Member **USRLP HOLDINGS / 30 North Gould Street, Suite N, Sheridan, WY 82801**

Give directions on County Roads from Water Office to New Members property.
78 North to County Road 4264

☒ Water for Household use. Approximate number of people. 2

☐ Water for Livestock use. Approximate number of livestock. _____

One connection is required for each household. How many connections do you need? 1

So any necessary easement may be described, give the following information:

Name of previous owner Ryan Pope

Date of Deed **1/14/2021** Deed recorded in Volume _____ Page _____ of Deed Records. **Fannin County Document # 2021000363**

This property joins the property of _____

The Arledge Ridge Water Supply Corporation has a standard charge of \$3000 to establish a new Membership. This charge is broken down as follows: \$100 Membership Fee, \$600 for meter and meter installation, and \$2300 goes into the Corporation Capital Improvement Fund for maintaining and upgrading the water system. I understand that should I ever want to return my membership to the Corporation, only the Membership Fee of \$100 will be refunded to me.

I agree to grant an easement of right-of-way on my property to the Corporation for the purpose of installing, maintaining, and operating such pipelines, meters, valves and any other equipment which may be deemed necessary for the Corporation.

New Member Signature 

Property owner's Signature if other than Member  *Sole Manager*

Membership Fee received by _____ Date _____

Arledge Ridge Water Supply Corporation**SERVICE AGREEMENT**

- I. **PURPOSE.** The **Arledge Ridge Water Supply Corporation** is responsible for protecting the drinking water supply from contamination or pollution which could result from improper private water distribution system construction or configuration. The purpose of this service agreement is to notify each customer of the restrictions which are in place to provide this protection. The utility enforces these restrictions to ensure the public health and welfare. Each customer must sign this agreement before the **Arledge Ridge Water Supply Corporation** will begin service. In addition, when service to an existing connection has been suspended or terminated, the water system will not re-establish service unless it has a signed copy of this agreement.
- II. **RESTRICTIONS.** The following unacceptable practices are prohibited by State regulations.
- A. No direct connection between the public drinking water supply and potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an air-gap or an appropriate backflow prevention device.
 - B. No cross-connection between the public drinking water supply and private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention device.
 - C. No connection which allows water to be returned to the public drinking water supply is permitted.
 - D. No pipe or pipe fitting which contains more than 8.0% lead may be used for the installation or repair of plumbing at any connection which provides water for human use.
 - E. No solder or flux which contains more than 0.2% lead can be used for the installation or repair of plumbing at any connection which provides water for human use.
- III. **SERVICE AGREEMENT** The following are the terms of the service agreement between **Arledge Ridge Water Supply Corporation** and **Brad White**_____
- A. The Arledge Ridge Water Supply Corporation will maintain a copy of this agreement as long as the Customer and/or the premises is connected to the water system.
 - B. The Customer shall allow his property to be inspected for possible cross-connections and other potential contamination hazards. These inspections shall be conducted by the Arledge Ridge Water Supply Corporation or its designated agent prior to initiating new water service; when there is reason to believe that cross-connections or other potential contamination hazards exist; or after any

major changes to the private water distribution facilities. The inspections shall be conducted during Arledge Ridge Water Supply Corporation's normal business hours.

- C. Arledge Ridge Water Supply Corporation shall notify the Customer in writing of any cross-connections or other potential contamination hazard which has been identified during the initial inspection or the periodic reinspection.
- D. The Customer shall immediately remove or adequately isolate any potential cross-connections or other potential contamination hazards on his premises.
- E. The Customer shall, at his expense, properly install, test, and maintain any back-flow prevention device required by Arledge Ridge Water Supply Corporation. Copies of all testing and maintenance records shall be provided to the Arledge Ridge Water Supply Corporation.

IV. **ENFORCEMENT.** If the customer fails to comply with the terms of the Service Agreement, Arledge Ridge Water Supply Corporation shall, at its option, either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this agreement shall be billed to the Customer.

Customer's Signature:  _____

Date: 8/25/2021 _____