



Control Number: 52797



Item Number: 174

April 17, 2023.

Public Utility Commission
PO Box 13326
Austin, Texas 78711-3326

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PUBLIC UTILITY COMMISSION
FILING CLERK

Subject: Transfer of Water and Sewer Facilities from Conroe Resort Utilities LLC to Undine Texas LLC.

Reference: 1) Docket 52797
2) Docket 50017

Dear Sirs or Madams,

The 116% rate increase for both water and sewer (142% for water and 99% for sewer) proposed by Undine LLC for the first year are excessive and unjustifiable. The increases proposed for the following two years are unfounded and unjustifiable as well. These percentages are for my typical monthly use of 5,000 gallons.

Half of the 28 homeowners in our complex are over 65 years of age. All are on fixed income. Five owners are over 80 years. We must endure the annual increase added to the water bill by San Jacinto River Authority and collected by CRU to pay for a water treatment plant on Lake Conroe that we get no water from as well.

I am submitting this letter in protest of the transfer rate increases as noted in the attachments provided by Undine Texas LLC. There does not seem to be any logical reason why both the water and sewer rates should increase by such extreme percentages for the same service. Logic says that the approved rates for Conroe Resort Utilities LLC should be the same rates for that facility regardless of ownership and not some approved rates for any other incomparable facility.

There has been no rationale provided for the extreme increases. The facility and customer base is the same and Hays Utility North is continuing to provide the billing and support services. I respectfully ask the Commission to review this transaction and come to the conclusion that the rate increases requested by Undine Texas LLC should not be applied to the Conroe Resort Utility facility.

Yours Truly,



James W. Russey

151 W Palm Blvd, Montgomery, TX 77356

Email: jim.russey@gmail.com

Notice to Current Customers, Neighboring Systems, and Cities

UNDINE TEXAS, LLC, CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO. 13260, NOTICE OF INTENT TO PURCHASE WATER FACILITIES AND TO TRANSFER WATER SERVICE AREA UNDER CCN NO. 11942 FROM CONROE RESORT UTILITIES, LLC AND FOR UNDINE TEXAS ENVIRONMENTAL, LLC, CCN NO. 20816 TO PURCHASE SEWER FACILITIES AND SEWER SERVICE AREA UNDER CCN NO. 20638 FROM CONROE RESORT UTILITIES, LLC IN MONTGOMERY COUNTY, TEXAS

To: **Current Customers, Neighboring Systems, and Cities** Date Notice Mailed: April 6, 2023

Undine Texas, LLC and Undine Texas Environmental, LLC

(Purchaser's Name)

17681 Telge Road

(Address)

Cypress, TX

(City/State)

77429

(Zip Code)

submitted an application with the Public Utility Commission of Texas (Commission) for Undine Texas, LLC to purchase all of the water facilities and to transfer water certificated service area under CCN No. 11942 and for Undine Texas Environmental, LLC to purchase all of the sewer facilities and to transfer sewer certificated service area under CCN No. 20638, in Montgomery County, TX from:

Conroe Resort Utilities, LLC 600 Margaritaville Parkway

(Seller's Name)

(Address)

Montgomery, TX

(City/State)

77356

(Zip Code)

The sale is scheduled to take place if approved by the Commission (Texas Water Code § 13.301). The transaction and the transfer of the CCN includes the following subdivision:

Margaritaville Lake Resort, Inverness at Del Lago.

The *requested water and sewer area* is located approximately 2.7 miles northeast of downtown Montgomery, Texas, and is generally bounded on the north by Walden Road, on the east by Fountainview Drive; on the south by Lake Conroe; and on the west by Walden Road and Lake Conroe.

The *requested water area* includes 294 water customer connections and includes approximately 282 acres of transferred area from Conroe Resort Utilities, LLC (CCN No. 11942) to Undine Texas, LLC (CCN No. 13260).

The application proposes the subtraction of approximately 282 acres from Conroe Resort Utilities, LLC (CCN No. 11942). The application proposes the addition of approximately 282 acres to Undine Texas, LLC (CCN No. 13260).

The *requested sewer area* includes 289 sewer customer connections and includes approximately 282 acres of transferred area from Conroe Resort Utilities, LLC (CCN No. 20638) to Undine Texas Environmental, LLC (CCN No. 20816).

The application proposes the subtraction of approximately 282 acres from Conroe Resort Utilities, LLC (CCN No. 20638). The application proposes the addition of approximately 282 acres to Undine Environmental, LLC (CCN No. 20816). **See enclosed map showing the requested water and sewer areas.**

The transaction transferring Conroe Resort Utilities, LLC water facilities and water service area to Undine Texas, LLC will change a customer's rates and services to the current approved rates and services of Undine Texas, LLC (in tariff as Rate Year 3, effective August 1, 2022), which are higher than the current approved rate for Conroe Resort Utilities, LLC for a 3/4" meter. A copy of the water tariff for Undine Texas, LLC (Docket No. 50017, new rates on page 9) can be viewed through our website at:

<https://www.undinellc.com/wp-content/uploads/Undine-Texas-LLC-Water-Tariff.pdf>

The transaction transferring Conroe Resort Utilities, LLC sewer facilities and sewer service area to Undine Texas Environmental, LLC will change a customer's rates and services to the current approved rates and services of Undine Texas Environmental, LLC (in tariff as Rate Year 3, effective August 1, 2022), which are higher than the current approved rate for Conroe Resort Utilities, LLC for a 3/4" meter. A copy of the sewer tariff for Undine Texas Environmental, LLC (Docket No. 50018, new rates on page 5) can be viewed through our website at:

<https://www.undinetx.com/wp-content/uploads/Undine-Texas-Environmental-LLC-Sewer-Tariff.pdf>

or call: 713-574-5953 to request a copy of the water and/or sewer tariff.

BILLING COMPARISON for a 3/4" meter

Water

Existing	2,000 gallons	\$ <u>29.70</u>	/mo	New Rate	2,000 gallons	\$ <u>81.22</u>	/mo
Existing	5,000 gallons	\$ <u>36.54</u>	/mo	New Rate	5,000 gallons	\$ <u>88.45</u>	/mo
Existing	10,000 gallons	\$ <u>47.94</u>	/mo	New Rate	10,000 gallons	\$ <u>104.18</u>	/mo

Sewer

Existing	2,000 gallons	\$ <u>44.27</u>	/mo	New Rate	2,000 gallons	\$ <u>110.00</u>	/mo
Existing	5,000 gallons	\$ <u>55.31</u>	/mo	New Rate	5,000 gallons	\$ <u>110.00</u>	/mo
Existing	10,000 gallons	\$ <u>73.71</u>	/mo	New Rate	10,000 gallons	\$ <u>110.00</u>	/mo

Persons who wish to comment on the proposed rate schedule or other action sought should contact the Public Utility Commission, P.O. Box 13326, Austin, Texas 78711-3326, or call the Public Utility Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. The deadline for intervention in the proceeding is (30 days from the mailing or publication of notice, whichever occurs later, unless otherwise provided by the presiding officer). You must send a letter requesting intervention to the commission which is received by that date. The letter must include the person's name, address, email address, and fax number if applicable.

If a valid public hearing is requested, the Commission will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, SOAH will submit a recommendation to the Commission for final decision. An evidentiary hearing is a legal proceeding similar to a civil trial in state district court.

Si desea informacion en español, puede llamar al 1-888-782-8477.

Carey Thomas
Utility Representative

Undine Texas, L.L.C. and Undine Texas Environmental, L.L.C.
Utility Representative