



Control Number: 52797



Item Number: 179

RECEIVED

2023 APR 28 AM 10:31

PUBLIC UTILITY COMMISSION
FILING CLERK

04/24/2023

Public Utility Commission of Texas

Post Office Box 13326

Austin, TX 78711-3326

RE: Docket No. 52797

Commissioners,

This is my letter requesting intervention by the commission to stop this increase in sewer and water rates by Undine Texas LLC. Our neighborhood has many households that are on fixed incomes. This increase will create a hardship.

Please find the enclosed documents showing this increase. My water and sewer bill is normally in the mid \$90's, which is already higher than most in our area. This month my bill increased by \$55.87. After their 3-yr plan, the lowest water bill will become 160.93. This is not a reasonable increase.

Undine states the increase will be used for repairs and that PUC approved these rates. But after the repairs, will our rates decrease? I think not.

Thank you in advance for your assistance with hopefully adjusting these extremely high increases.

Sincerely,

Randy and Sandy Ballard

36 Laguna Road

Montgomery, TX 77356

sballard612@gmail.com

cc: John Cornyn and Morgan Luttrell

179



March 28, 2023

**UNDINE TEXAS, LLC, AND UNDINE TEXAS ENVIRONMENTAL, LLC
CHANGE IN OWNERSHIP OF CONROE RESORT UTILITY**

Dear Customers:

Welcome to the growing family of Undine Texas utility customers. We are pleased to announce, as of January 24, 2023, we successfully acquired the water and wastewater systems serving your neighborhood.

Undine is now the owner and is responsible for Management and oversight of the Utility, however Undine will continue to use Hays North Utilities for the operational, billing, and customer services.

As a responsible utility owner, we are committed to deploying the capital needed for utility improvements and/or renovations. Undine's improvement plans are designed to ensure our systems meet all applicable local and Texas Commission on Environmental Quality ("TCEQ") regulations and standards.

Please look for future announcements regarding Undine's TOWN HALL MEETINGS where we look forward to discussing needed utility improvements, the roles, and responsibilities of the Public Utility Commission and to hear comments and suggestions from our customers.

UNDINE CONTACT INFORMATION:

- Customer Service: 936-588-1166
- After hours Operational Emergencies: 936-588-1166
- Mailing Address: P.O. BOX 1170 MONTGOMERY, TX 77356
- Undine's Website: <http://www.undinellc.com/>
- An online payment option is available for our customers' convenience at hayswater.com
- Walk-in Payments with exact change can be made at:

Hays Utility North
375 Lake Meadows Dr
Montgomery, TX 77316

We regret any confusion these numerous communications from the PUC have caused. Thank you in advance for your cooperation during this period of transition. We look forward to serving you and to meeting with you soon.

Sincerely,

Undine



Likewise, to our customers' benefit, we will also phase in our "Rate Year 3" sewer rate over three years with the same implementation dates as mentioned above:

<u>Undine Texas Environmental, LLC</u>	<u>Sewer Tariff Page No.3</u>
SECTION 1.0 - RATE SCHEDULE	
<u>Section 1.01 – Rates</u>	
<u>Rate Year 1</u>	<u>Effective Date: August 1, 2020</u>
<u>Meter Size:</u>	<u>Monthly Minimum Charge:</u>
<u>All Meters</u>	<u>\$75.00 Flat Rate</u>
<u>Rate Year 2</u>	<u>Effective Date: August 1, 2021</u>
<u>Meter Size:</u>	<u>Monthly Minimum Charge:</u>
<u>All Meters</u>	<u>\$92.50 Flat Rate</u>
<u>Rate Year 3</u>	<u>Effective Date: August 1, 2022</u>
<u>Meter Size:</u>	<u>Monthly Minimum Charge:</u>
<u>All Meters</u>	<u>\$110.00 Flat Rate</u>

This flat sewer rate can be viewed on our sewer tariff, page 3, on our website at:
<https://www.undinellc.com/wp-content/uploads/Undine-Texas-Environmental-LLC-Sewer-Tariff.pdf>

For billing questions, customer service matters and after-hours emergencies, please call: 936-588-1166, as indicated on your utility bill.

Please look for future announcements regarding Undine's TOWN HALL MEETINGS where we will discuss needed utility improvements, the roles and responsibilities of the Public Utility Commission and any other issues of concern to our customers.

We look forward to serving you as a customer.

Sincerely,

UNDINE MANAGEMENT



Undine Texas, LLC

Water Tariff Page No. 9

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 – Rates

Rate Year 1

Effective Date: August 1, 2020

<u>Meter Size</u>	<u>Monthly Base Rate</u>	<u>Gallage Charge</u>
5/8"	<u>\$37.81</u> (Includes 0 gallons)	<u>\$2.02</u> per 1000 gallons from 0 to 6,000 gallons
3/4"	<u>\$56.72</u>	<u>\$2.94</u> per 1,000 gallons from 6,001 to 15,000 gallons
1"	<u>\$94.53</u>	<u>\$5.25</u> per 1,000 gallons from 15,001 gallons to 25,000 gallons
1 1/2"	<u>\$189.05</u>	<u>\$7.79</u> per 1,000 gallons from 25,001+ gallons
2"	<u>\$302.48</u>	
3"	<u>\$567.15</u>	
4"	<u>\$983.06</u>	
Other (Unmetered)	<u>\$60.50</u>	

The "Rate Year 2" rates in our current tariff that were effective August 1, 2021, will commence after the first anniversary of the "Rate Year 1" and will be effective April 1, 2024.

Rate Year 2

Effective Date: August 1, 2021

<u>Meter Size</u>	<u>Monthly Base Rate</u>	<u>Gallage Charge</u>
5/8"	<u>\$44.37</u> (Includes 0 gallons)	<u>\$2.21</u> per 1000 gallons from 0 to 6,000 gallons
3/4"	<u>\$66.56</u>	<u>\$3.13</u> per 1,000 gallons from 6,001 to 15,000 gallons
1"	<u>\$110.93</u>	<u>\$5.44</u> per 1,000 gallons from 15,001 gallons to 25,000 gallons
1 1/2"	<u>\$221.85</u>	<u>\$7.98</u> per 1,000 gallons from 25,001+ gallons
2"	<u>\$354.96</u>	
3"	<u>\$665.55</u>	
4"	<u>\$1,153.62</u>	
Other (Unmetered)	<u>\$70.99</u>	

The "Rate Year 3" rates in our current tariff that were effective August 1, 2022, will commence after the second-year anniversary of the "Rate Year 1" and will be effective on April 1, 2025.

Rate Year 3

Effective Date: August 1, 2022

<u>Meter Size</u>	<u>Monthly Base Rate</u>	<u>Gallage Charge</u>
5/8"	<u>\$50.93</u> (Includes 0 gallons)	<u>\$2.41</u> per 1000 gallons from 0 to 6,000 gallons
3/4"	<u>\$76.40</u>	<u>\$3.33</u> per 1,000 gallons from 6,001 to 15,000 gallons
1"	<u>\$127.33</u>	<u>\$5.64</u> per 1,000 gallons from 15,001 gallons to 25,000 gallons
1 1/2"	<u>\$254.65</u>	<u>\$8.18</u> per 1,000 gallons from 25,001+ gallons
2"	<u>\$407.44</u>	
3"	<u>\$763.95</u>	
4"	<u>\$1,324.18</u>	
Other (Unmetered)	<u>\$81.49</u>	

These water rates can be viewed on our tariff, page 9, on our website at:

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

This three-year phase in will save our Conroe Resort Customers on average approximately \$1,026.72 annually.



March 30, 2023*

Change in Ownership of Conroe Resort Utilities, LLC

Dear Conroe Resort Utilities water and wastewater customers,

Undine, LLC, (“Undine”) and Conroe Resort Utilities (“CRU”) are pleased to announce the sale of the CRU public water supply and sewer treatment systems to Undine.

The CRU systems provide water and sewer service to approximately 300 customers, including the Margaritaville Lake Resort Hotel and the Inverness at Del Lago residential subdivision.

Undine is a privately-owned regional utility provider committed to providing high quality utility services and customer service to all of our customers. You can learn more about us by visiting our website at: www.undinellc.com.

Undine’s philosophy is to establish open communications with its customers. We are responsive to all our customers 24/7. Undine is responsible for the management and oversight of the water supply and sewer treatment systems but will continue to use Hays Utility North for the day-to-day operations, billing, and customer service. You should receive Undine’s first bill approximately April 3, 2023. Customers were previously informed in a notice dated August 15, 2022, issued pursuant to the requirements of the Public Utility Commission of Texas (“PUC”) that the sale will involve higher rates for water and sewer services. These higher rates will help the utility make needed improvements to these systems.

You will soon receive another PUC notification regarding the sale. As directed by the PUC, that notification will state Undine’s intention to implement our current “Rate Year 3” in our Tariff rates for water and sewer. However, we are volunteering to “phase-in” our current “Rate Year 3” rates in our Tariff over a three-year period, as follows:

The “Rate Year 1” rates, approved by the PUC August 1, 2020, is the first step of the rate phase-in, and will be reflected on your next utility bill, April 3, 2023, and will continue for one year until March 31, 2024.

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 Cypress, TX 77429
(Address) (City), (State) (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 Montgomery, TX 77356
(Seller's Name) (Address) (City), (State) (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 3) can be viewed through our website at:

<https://www.undinellc.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:	\$ 29.70	/mo	New Rate	2,000 gallons:	\$ 81.22	/mo
Existing	5,000 gallons:	\$ 36.54	/mo	New Rate	5,000 gallons:	\$ 88.45	/mo
Existing	10,000 gallons:	\$ 47.94	/mo	New Rate	10,000 gallons:	\$ 104.18	/mo

Sewer

Existing	2,000 gallons:	\$ 44.27	/mo	New Rate	2,000 gallons:	\$ 110.00	/mo
Existing	5,000 gallons:	\$ 56.51	/mo	New Rate	5,000 gallons:	\$ 110.00	/mo
Existing	10,000 gallons:	\$ 72.71	/mo	New Rate	10,000 gallons:	\$ 110.00	/mo

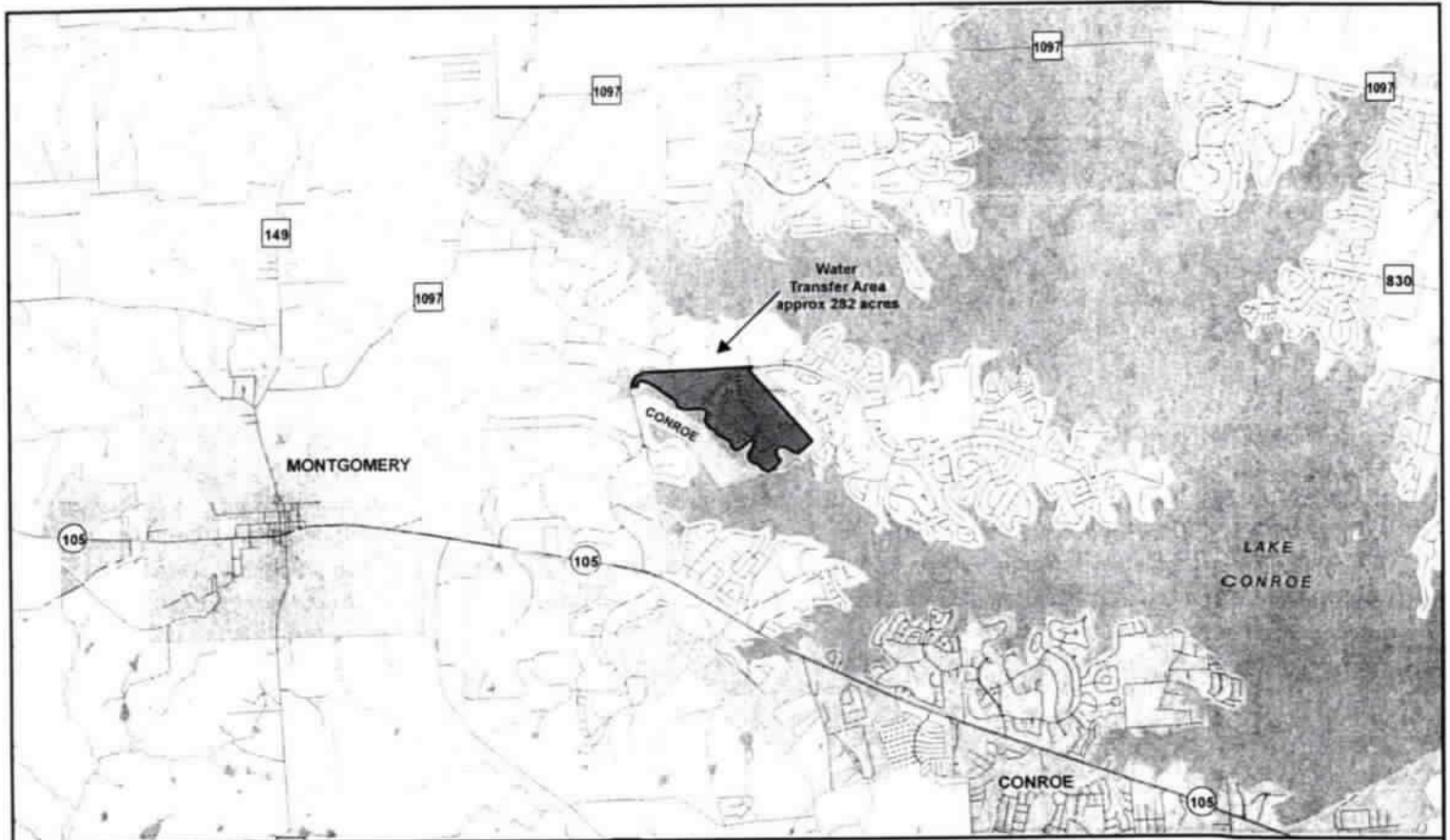
Persons who wish to intervene in the proceeding or comment upon action sought should contact the Public Utility Commission, P.O. Box 13326, Austin, Texas 78711-3326, or call the Public Utility Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (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 información en español, puede llamar al 1-888-782-8477.

Carey Thomas
Utility Representative

Undine Texas, LLC and Undine Texas Environmental, LLC
Utility Name

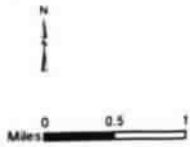


General Location - Water

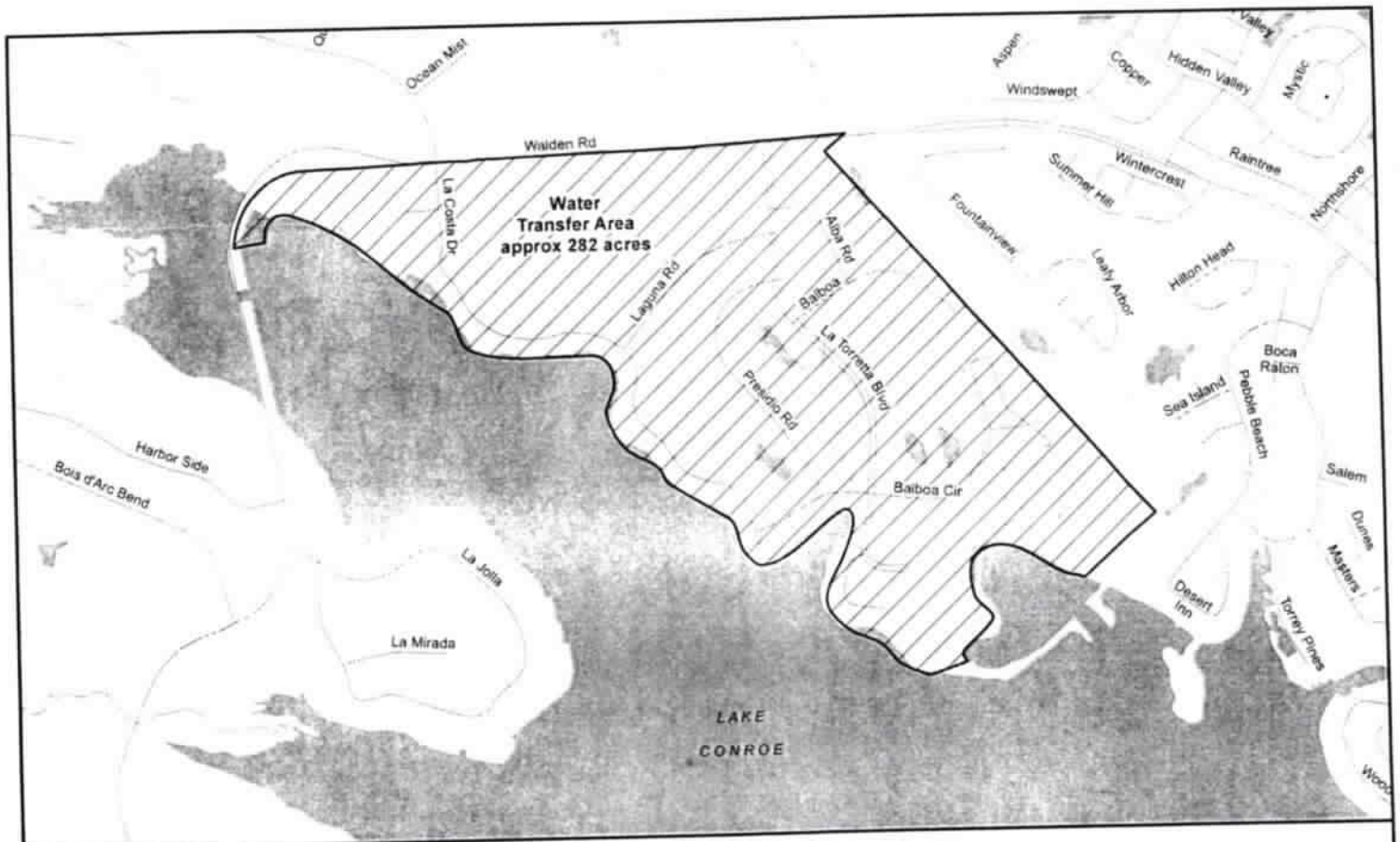
Undine Texas, LLC
 Application to Transfer Conroe Resort Utilities, LLC, CCN No. 11942 to Undine Texas, LLC, CCN Nos. 13260
 in Montgomery County

Requested Water Transfer Area

■ CCN 11942 - Conroe Resort Utilities, LLC - approx 282 acres



Map by: S. Burt, ASBG1
 Date: August 8, 2022
 Base: StratMapTransv2
 Project: Conroe Resort General Location Water.mxd

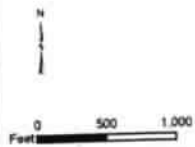


Detail Map - Water

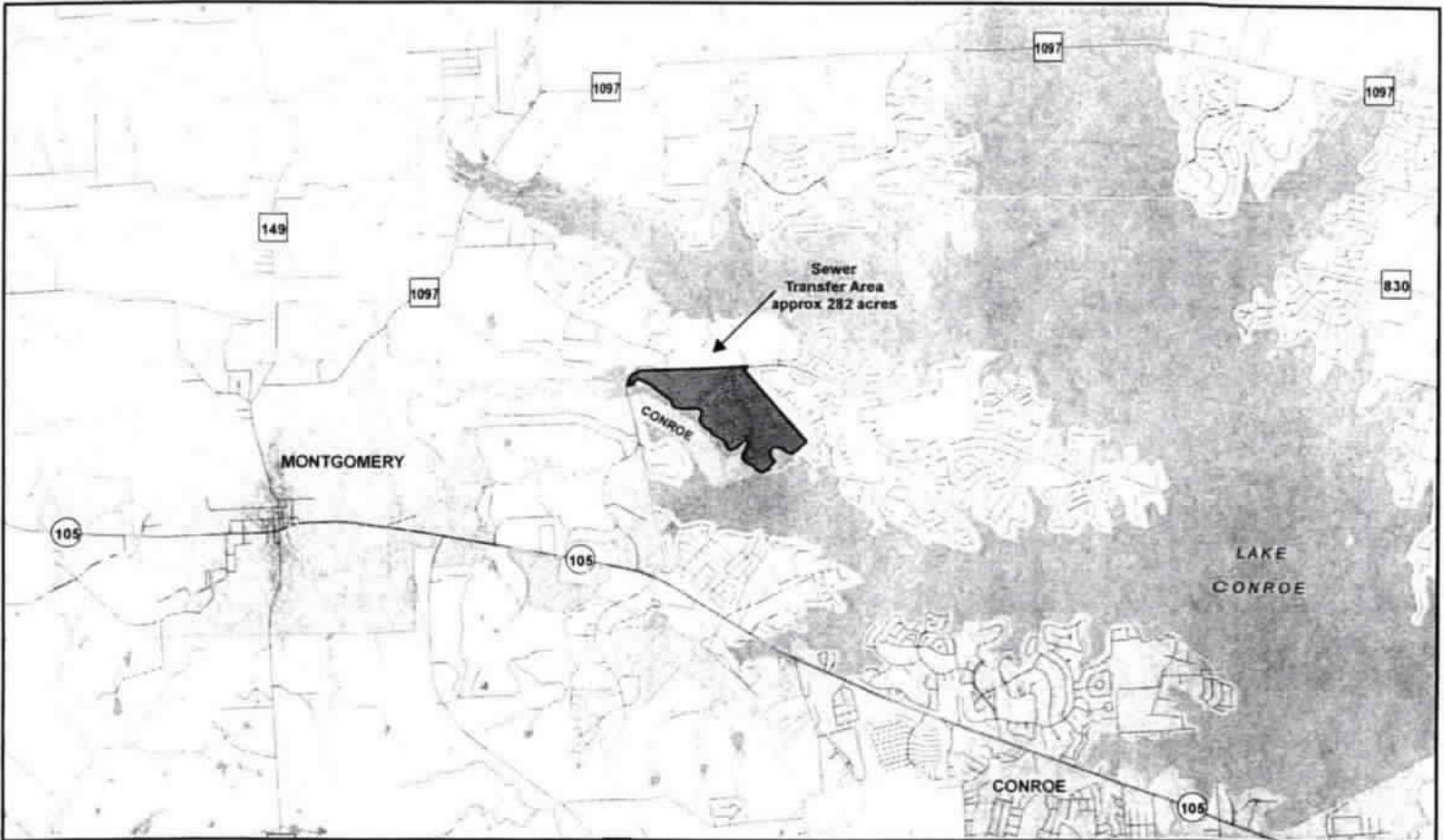
Undine Texas, LLC
 Application to Transfer Conroe Resort Utilities, LLC, CCN No. 11942 to Undine Texas, LLC, CCN No. 13260
 in Montgomery County

Requested Water Transfer Area

 CCN 11942 - Conroe Resort Utilities, LLC - approx 282 acres




Map by: S. Burt, ASBG1
 Date: August 8, 2022
 Base: StratMapTransv2
 Project: Conroe Resort Detail Map-Water.mxd

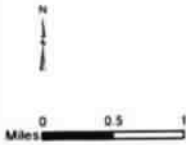


General Location - Sewer

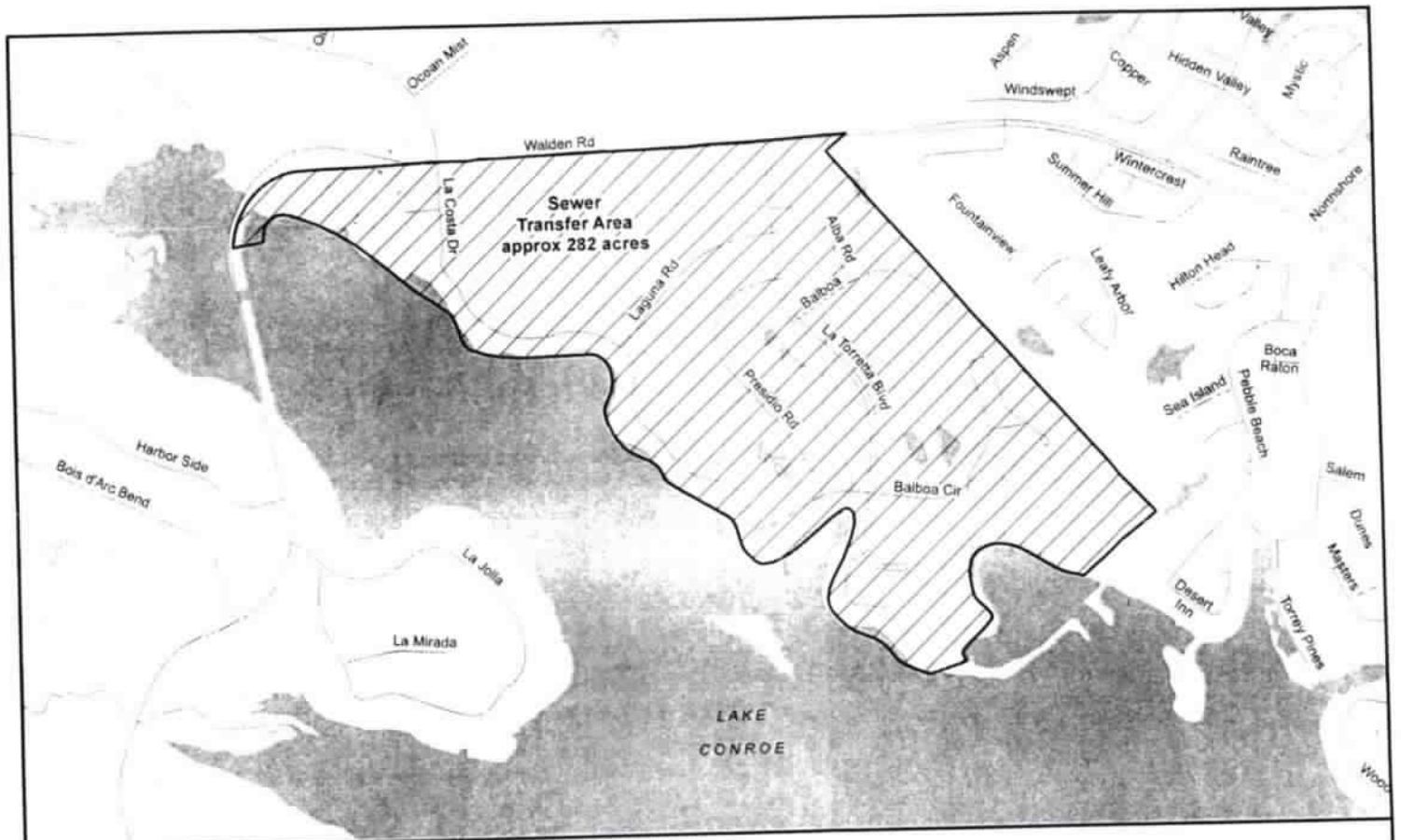
Undine Texas Environmental, LLC
 Application to Transfer Conroe Resort Utilities, LLC, CCN No. 20638 to Undine Texas Environmental, LLC, CCN No. 20816
 in Montgomery County

Requested Sewer Transfer Area

 CCN 20638 - Conroe Resort Utilities, LLC - approx 282 acres

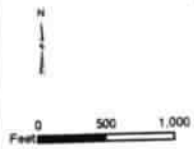



Map by: S. Burt, ASBG
 Date: August 8, 2022
 Base: StratMapTransv2
 Project: Conroe Resort General Location Sewer.mxd



Detail Map - Sewer

Undine Texas Environmental, LLC
 Application to Transfer Conroe Resort Utilities, LLC, CCN No. 20638 to Undine Texas Environmental, LLC, CCN No. 20816
 in Montgomery County



Requested Sewer Transfer Area
 CCN 20638 - Conroe Resort Utilities, LLC - approx 282 acres

Map by S. Burt, ASBG1
 Date August 8, 2022
 Base StratMapTransv2
 Project: Conroe Resort Detail Map-Sewer.mxd

BALLARD RANDY

MAKE CHECK PAYABLE TO: CONROE RESORT UTILITIES, LLC P. O. BOX 1170 MONTGOMERY TX 77356-1170	SERVICE ADDRESS		ACCOUNT NUMBER																	
	36 LAGUNA RD 280		19045-1801307003																	
	SERVICE PERIOD	FROM	TO	BILLING DATE																
	02/28/23	03/31/23	04/04/23																	
READ DATE(W) 03/31/23 METER NUM. 38005525 PRES. READ 172.0 PREV. READ 168.0 TOTAL GALLONS 4.0	TOTAL GALLONS 		<table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">DESCRIPTION</th> <th style="text-align: right;">AMOUNT</th> </tr> </thead> <tbody> <tr> <td>BALANCE FORWARD</td> <td style="text-align: right;">87.77</td> </tr> <tr> <td>PAYMENT 03/15</td> <td style="text-align: right;">-87.77</td> </tr> <tr> <td>WATER</td> <td style="text-align: right;">64.80</td> </tr> <tr> <td>SEWER</td> <td style="text-align: right;">75.00</td> </tr> <tr> <td>REG ASSMNT</td> <td style="text-align: right;">1.40</td> </tr> <tr> <td>SJRA</td> <td style="text-align: right;">14.08</td> </tr> <tr> <td>THIS MONTH</td> <td style="text-align: right;">155.28</td> </tr> </tbody> </table>		DESCRIPTION	AMOUNT	BALANCE FORWARD	87.77	PAYMENT 03/15	-87.77	WATER	64.80	SEWER	75.00	REG ASSMNT	1.40	SJRA	14.08	THIS MONTH	155.28
DESCRIPTION	AMOUNT																			
BALANCE FORWARD	87.77																			
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SJRA	14.08																			
THIS MONTH	155.28																			
			TOTAL NOW DUE	155.28																
			PENALTY AMOUNT	15.38																
			PAY THIS AMOUNT AFTER	04/24/2023 170.66																

145 BALLARD RANDY

MESSAGES

***** PLEASE NOTICE *****

THE SAN JACINTO RIVER AUTHORITY RATES HAVE CHANGED FROM \$3.40. PER THOUSAND TO \$3.52 PER THOUSAND. EFFECTIVE SEPTEMBER 1, 2022

**2021 Drinking Water Quality Report now available online at <https://hayswater.com/conroeresort/ccr>
Or you can request a copy by calling Hays Utility North at (936)588-1166**

TO PAY YOUR WATER BILL GO
 WWW.HAYSWATER.COM OR CALL
 OUR AUTOMATED SYSTEM AT
 877-589-7961

4-E

AVR, Inc.

IF YOUR MAILING ADDRESS HAS CHANGED PLEASE CORRECT
 PLEASE RETURN BOTTOM PORTION WITH PAYMENT

CONROE RESORT UTILITIES, LLC
 P.O. BOX 1170
 MONTGOMERY, TEXAS 77356
 SERVICE: 936-588-1166

Account Number 19045-1801307003
 Service Address 36 LAGUNA RD 280
 045

155.28	04/24/2023	170.66
ON OR BEFORE DUE DATE	DUE DATE	AFTER DUE DATE

AMOUNT PAID

BALLARD RANDY
 SANDY
 36 LAGUNA RD
 MONTGOMERY TX 77356



CONROE RESORT UTILITIES, LLC
 P. O. BOX 1170
 MONTGOMERY TX 77356-1170

BALLARD RANDY

MAKE CHECK PAYABLE TO: CONROE RESORT UTILITIES, LLC P. O. BOX 1170 MONTGOMERY TX 77356-1170	SERVICE ADDRESS 36 LAGUNA RD 280		ACCOUNT NUMBER 19045-1801307003	
	SERVICE PERIOD 09/01/22 09/30/22	BILLING DATE 10/03/22		
READ DATE(W) 09/30/22 METER NUM. 38005525 PRES. READ 153.0 PREV. READ 149.0 TOTAL GALLONS 4.0			DESCRIPTION AMOUNT BALANCE FORWARD 98.93 PAYMENT 09/21 -98.93 WATER 36.54 SEWER 47.95 REG ASSMENT 0.84 SJRA 14.08 THIS MONTH 99.41	
			<i>CK# 9789 10-15-2022</i>	
			TOTAL NOW DUE	99.41
			PENALTY AMOUNT	8.44
			PAY THIS AMOUNT AFTER	10/24/2022 107.85

109 BALLARD RANDY

MESSAGES

***** PLEASE NOTICE *****

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