



## **Filing Receipt**

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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](http://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.



**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>Gallonge 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>Gallonge 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>Gallonge 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.



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>	Sewer Tariff Page No.3
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>
All Meters	<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>
All Meters	<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>
All Meters	<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





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](http://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