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ARMANDO L. WALLE

STATE REPRESENTATIVE

HOUSE DISTRICT 140

October 10, 2024

Public Utility Commission of Texas
William B. Travis Building
1701 N. Congress Ave
Austin, Texas 78701

Dear Commissioners,

I am writing to bring to your attention a matter of concern involving Undine Texas Environmental LLC (Undine), an investor-owned water utility servicing neighborhoods in the Houston area, including the Bellmar and Northline subdivisions in my district.

For many years, Nitsch and Son Utility Company provided both water and sewer services to the residents of Bellmar and Northline subdivisions. At that time, residents enjoyed moderate rates. However, following the purchase of Nitsch and Son by Undine in 2022, with the Public Utility Commission finalizing the transfer in 2023, residents were notified about the change in ownership and Undine's new responsibilities as the provider of water and wastewater services.

Since the transfer, residents have expressed significant concerns regarding the substantial rate increases they have experienced, which have had a profound impact on their daily lives. Undine has indicated that the PUC approved these increases. I am concerned that such rapid rate escalations place an undue burden on customers, particularly those with limited financial resources and no recourse to contest the service transfer. Bellmar and Northline are among the oldest neighborhoods in my district, and many residents are senior citizens on fixed incomes. For instance, Mr. Andy Lopez, a constituent who relies on Social Security, is facing a monthly bill of approximately \$200 which substantially strains his finances.

Last month, I held a town hall meeting to address the rate increase and to discuss Undine's future projects as the new service provider. During this meeting, Undine proposed a petition to gradually increase rates over a three-year period to mitigate the immediate financial impact on residents. I fully support this measure and urge the commission to approve this petition and consider additional measures that will alleviate the financial burden on constituents like Mr. Lopez.

Thank you for your attention to this important issue affecting my community. Please do not hesitate to contact me if I can provide further assistance. I can be reached by phone at (281) 442-2206 or via email at Armando.Walle@house.state.tx.us.

Sincerely,

A handwritten signature in black ink that reads "Armando Walle".

Armando Walle
State Representative, House District 140