



Filing Receipt

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Control Number - 54440

ItemNumber - 246

2/22/2023

Public Utility Commission
Central Records
Attn: Chris Burch, Director – Customer Protection
1701 N. Congress Avenue, P.O. Box 13326
Austin, TX 78711-3326

RE: Request for Approval to Change Billing Method at San Paloma S7076

Dear Mr. Burch:

Our company, Conservice LLC, serves as the utility billing provider for San Paloma, upon whose behalf and authorization we send this letter. The purpose of this correspondence is to formally request that the Public Utility Commission of Texas (“PUC”) approve this property to transition from its registered status as submetered to allocated billing.

We understand that Texas Water Code section § 13.502 permits the owner to switch from submetered to allocated billing upon a showing of good cause and approval by the PUC. For the following reasons, we believe San Paloma meets the good cause requirements outlined in the Code, and we respectfully ask the PUC to approve this request.

Recently, the submeter system has begun to malfunction, requiring that the property incurs the ongoing repair and replacement costs above and beyond normal wear and tear. Given the current state of the submetering system, the property will incur costs of \$83,633.00 to replace current broken equipment, and it is likely that further equipment failure will occur and need to be replaced and upgraded. Attached is the proposal for repair. The property does not anticipate having the capital resources required to make these and future repairs, and respectfully requests that they be allowed to bill tenants through allocative methods.

Should you require and additional information in making your determination please do not hesitate to contact me directly.

Sincerely,

Bret R. James
Legal Counsel – Conservice
750 South Gateway Drive
River Heights, UT 84321
435-750-5402
bretjames@conservice.com



SUBMETER PROPOSAL FOR

San Paloma

JAN 2023



We are proud to present Conservice's submeter installation solutions!

Thank you for the opportunity to provide you a proposal for installing submeters on this property.

We are unmatched by our competitors in every aspect! We focus only on utilities, employ a team of responsive, passionate Utility Experts, and perform all work in house. We financially back our products with our guarantees, offer legal expertise, and enhance resource sustainability.

You will enjoy an unrivaled experience with us as we make meter installation and utility management easy, timely, and cost-efficient for your company. We look forward to serving you!

Tasha Yielding

585-397-8459

tyielding@conservice.com

www.conservice.com

Equipment & Scope of Work

EQUIPMENT PROVIDED:

| # | QTY | TYPE | P/N | DESCRIPTION |
|---|-----|-------------|--------|--|
| 1 | 372 | Water Meter | 180404 | 3/4" Next Century INDOOR UltraSonic NextMeter w/ Integrated Transceiver (Hot/Cold) |
| 2 | 744 | Misc. | 140010 | 3/4" Rubber gasket |
| 4 | 1 | Electronics | 120416 | NextCentury - Gateway |
| 5 | 7 | Electronics | 120414 | NextCentury - Repeater |

INSTALLATION OF EQUIPMENT REFERENCED ABOVE:

- 1 Remove existing water meter and install the new water meter.
- 2 Install and program one Next Century Gateway with Receiver on the project.
- 3 Label, program, and install enough repeaters to obtain 100% coverage on the project.
- 4 Label, program and install all transceivers according to provided apartment unit address system.
- 5 Perform unit/building/property system check to ensure integrity of system with asset management.

EQUIPMENT AND SERVICE PROVIDED BY OTHERS:

- 1 The property/project electrical contractor will install not less than one 110-volt ac electric duplex outlet in each building for every 60 living units. The location of each outlet will be mapped and agreed to by the project electrician and onsite Conservice representative. All electrical outlets are to be non-GFI circuits.
- 2 Property will provide/install one dedicated Ethernet port with internet available, and one 110-volt AC duplex outlet in the clubhouse, or other suitable location for the data collector. In the event that connectivity is not available at the time of first meter install, cellular service will automatically be activated, and client will be invoiced \$35 per month for cellular fees.
- 3 The property (via its plumber or other contractor) is solely responsible to investigate the need, or lack thereof, for local permits and/or registrations, and to notify Conservice thereof. In the event that such are needed, the property shall be solely responsible for obtaining them, as well as all associated costs. If required, these costs are in addition to the contracted amount.
- 4 All local sub metering codes and laws are the responsibility of the plumber and/or contractor.
- 5 The property will provide an escort to be with the Conservice technician at all times. The property will notify the residents that water will be off while installing the new water meter.

Pricing Plan

372 units @ \$208 per unit = \$77,376

Tax: \$6,257

Total: \$83,633

(Contact Tasha Yielding with questions, suggested changes, or interest.)

****If/when you would like to proceed, next steps will be provided.***

METERS | SUBMETER SERVICES

We deliver wide-ranging submeter solutions designed to keep your recovery high, from one-time repair visits to custom upgrade plans and quarterly maintenance.

Regulatory Support

We track submeter regulations, including those of California's Weights and Measures and the NYPUC. We offer specialized solutions to meet the requirements in these states.

System Types

We pull meter reads from over 30 system types for over 900,000 meters each day. Our knowledge and experience are unparalleled by our competitors. Our national preferred provider is NextCentury.

Installations

We install turnkey systems, retrofits, and automatic meter read (AMR) system upgrades. We also provide a detailed final release report at the end of each job, which includes all warranty and system information.

Technicians and Analysts

Our regional technicians install and service submeters and AMR systems, allowing for maximum utility recovery. Our technicians will also survey and map your submeters, if needed. Our analysts prepare system analyses, create work orders, and quality check the technicians' work. They also ensure that daily meter reads are received by our system, allowing accurate bill-back.

Web Portal and Reporting

Our new web portal dashboard through www.conservice.com provides a view of Conservice installation statuses, work orders, service history, meter system information, and current system health. We provide a monthly meter functionality report for comparison of resident billing information with system health. We also email high usage alerts to your designated staff, and high usage thresholds can be adjusted.

Conservice Submeter Maintenance Plan

The maintenance plan covers quarterly analysis, labor, and equipment, making budgeting easy. It ensures a proactive, dedicated meter manager who works with your community staff and the Conservice billing manager to ensure that issues are promptly addressed.

- Quarterly analysis of submeter equipment (every two months in regulated areas)
- Full-service maintenance visit by a qualified technician (equipment and labor)
- Easy budgeting: maintenance fee covers the analysis, the labor, and the equipment
- Proactive, dedicated meter manager analyzes the system and submeters each quarter, quality checks the technician's work, and serves as a single point of contact for your property managers

Additional Options

- California regulatory compliance: annual meter change-outs, remote reader replacements
- Upgrade obsolete equipment

Meter Maintenance Guarantee: We provide quarterly maintenance and repairs by a certified technician, or the visit is free.

800+ sites and 225,000+ meters are currently protected by the Conservice meter maintenance plan. To protect your submeter equipment, talk to us!

NextCentury Submeters and System

Metering equipment and systems should work efficiently instead of creating frustration and unnecessary expense. We provide exactly what you need: full-featured, dependable submeters and systems at reasonable prices. We have worked with users in every step of the design process to provide the equipment that is the easiest to install and maintain. Our meters and system are the submetering solution of the future.

Water submeters: reliable and easy to install

- NTEP-certified
- Both hot- and cold-water models
- Full 3/4" lightweight design
- Reliable multi-jet technologies
- Pre-wired pulse AMR connector
- Mounting plate to enable plug-and-play setup



Wireless communication system:

inexpensive and effortlessly powerful

- Unlicensed frequency, so no annual license fee
- Maximum signal strength decreases equipment cost
- 2-way communication allows for visual confirmation that all reads are reported and received
- Optional cellular connection allows maximum flexibility with location of central data collector

Cloud-based data, mobile apps, and web interface: allow proactive management of utility costs

- Freeze detection alerts
- High / low usage alerts
- Leak detection alerts – quickly identify leaking toilets
- Receive alerts real time via email and/or text message

ABOUT CONSERVICE

Conservice was founded in 2000 and is now the largest utility management provider in the United States, with over 3,900,000 service locations. We provide all services in-house and deliver the best cost-saving ratio available. Our placement on the Inc. 5000 for 14 consecutive years demonstrates our continuous reliability.

Customizable Solutions

Conservice develops all software tools internally with 130 software engineers, focused only on utilities. This, combined with a broad range of services, allows us to deliver customizable and comprehensive solutions to meet your needs.

Customer Service

We are committed to providing the very best customer service. Dedicated corporate account managers support implementation, handle issues, and ensure maximized recovery for large accounts. Product managers ensure the quality of each product and provide site-level support. Customer service reps assist residents, freeing your community staff for other duties.

Conservice Guarantees

We provide clear guarantees to our current and future partners:

100% United States-Based Service Guarantee: Every person who works on your account, from answering your call to processing your bill, is based in the United States.

New Account Guarantee: We agree on a date. You provide the information and let the Utility Experts meet that deadline, or the setup is free.

Regulatory Support

Conservice provides regulatory support with Billing and Synergy. We also identify and support lobbying efforts to protect your interests, and we stay updated on utility regulatory issues. Marc Treitler, the head of our legal team, has drafted regulations in 20 states that have been adopted.

With the most experienced legal team in the industry on your side, you can rest assured that your utility billing programs are 100% in compliance and you are protected from potential legal difficulties.

Legal Indemnification Guarantee: In the event of a lawsuit or regulatory challenge based on recommendations from Conservice, we will indemnify you from any costs or damages.



BILLING | RESIDENT BILL-BACK

We recover your utility costs and increase your NOI with minimal administrative burden to you and your staff. We can tailor your bill-back options to maximize your recovery.

Timely, Accurate Billing Guarantee: The Utility Experts provide accurate billing on time, every time, or that month's service is free.



Regulatory Support

You are protected! Our regulatory team extensively reviews each property to ensure all billing practices comply with state and local regulations. We also perform a detailed lease review for every property, and if needed, we will help you draft new leases.

Billing Methodologies

Billing methodologies include submeter billing and ratio billing, based on an array of variables. Methodologies can be optimized to maximize your recovery.

Data Integration

We integrate with all major property management software systems. Our IT team can pull resident data directly from your system, so move-ins and move-outs are never missed. We also upload final bills to your system.

One Bill

Resident bills may include rent and community charges as well as utilities if your software allows. A single bill with all charges simplifies the resident experience

Ebills

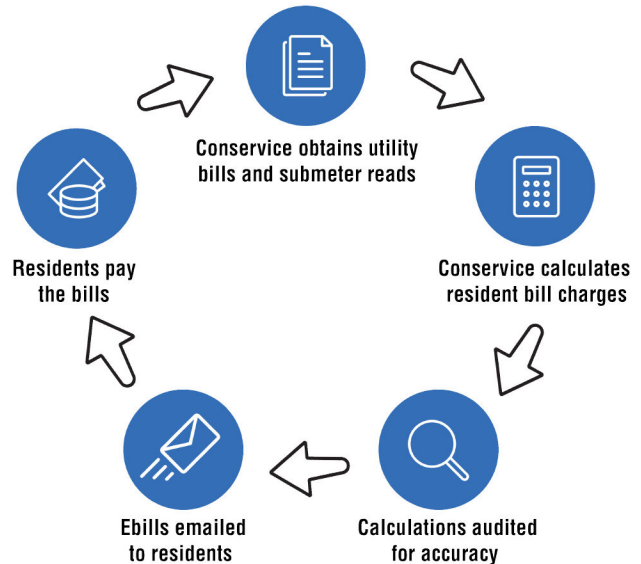
Ebills provide an info-rich experience and allow residents to click from their bill to your payment portal. They also avoid postal delays, save on every postal increase, and save natural resources. We encourage all management firms and residents to use ebills. Residents may opt for paper bills if they wish.

Resident Call Center

Live, U.S.-based customer service reps are available during prime service hours and together speak over 20 languages. Our customer service reps answer residents' utility bill questions, alleviating this responsibility from your community managers.

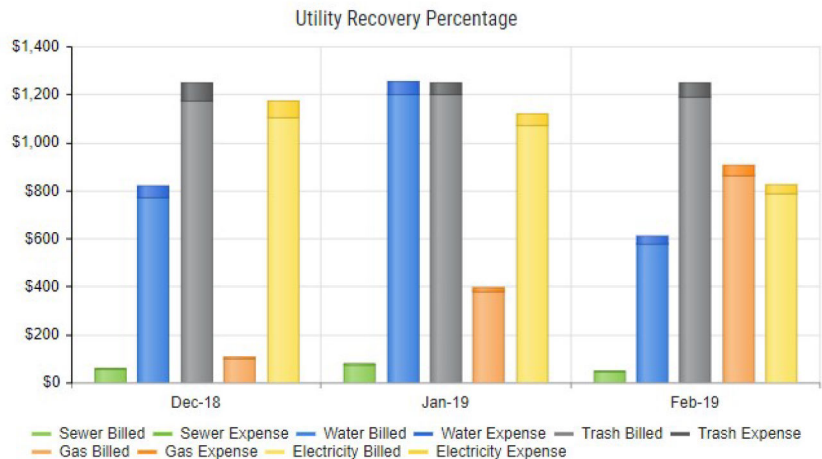
Billing Process and Support

The Conservice billing process is designed to produce accurate, timely bills. A dedicated billing manager oversees the billing process for your portfolio. He or she is available to support your community managers and can answer questions about resident charges, reports, the web portal, submeter reads and submeter maintenance, and any other resident bill-back topics.



Web Portal

Our mobile-friendly web portal through www.conservice.com has every tool you and your community managers may need: resident account information, meter reads, reports, and graphs. Reports include recovery, AR, submeter health, and many other reports. Graphs give visuals of your communities, such as the utility recovery graph below, which shows how much of your cost has been recovered. Our training resources help your staff learn to easily navigate the portal.



The Conservice Difference

- We provide legal support and review lease agreements
- We integrate with your software, ensuring our rent roll stays current
- Ebills link to your payment portal
- Ebills include a conservation message
- Ebills can include rent and community charges
- All bills are rigorously quality checked before they are sent
- We notify community staff of bill fluctuations
- We send final bills to community staff
- We offer a submeter maintenance plan



CY 2022 Registration of Submetered OR Allocated Utility Service

NOTE: Please **DO NOT** include any person or protected information on this form (ex: tax identification #'s, social security #'s, etc.)

Control Number: **54440**
 Registration No.: _____
 (this number to be assigned by the PUC after your form is filed)

PROPERTY OWNER: Do **not** enter the name of the owner's contract manager, management company, or billing company.

Name | G&I X SAN PALOMA JV LLC

Mailing Address: | 1255 Eldridge Pkwy | City | Houston | State | TX | Zip | 77077

Telephone# (AC) | 832-327-3701

E-mail |

NAME, ADDRESS, AND TYPE OF PROPERTY WHERE UTILITY SERVICE IS PROVIDED

Name | San Paloma

Mailing Address: | 1255 Eldridge Pkwy | City | Houston | State | TX | Zip | 77077

Telephone# (AC) | 832-327-3701

E-mail | c/o legal@conservice.com

 Apartment Complex | Condominium | Manufactured Home Rental Community | Multiple-Use Facility

If applicable, describe the "multiple-use facility" here: |

INFORMATION ON UTILITY SERVICE

 Tenants are billed for | Water | Wastewater | Submetered OR | Allocated ★★ ★

Name of utility providing water/wastewater | City of Houston

Date submetered or allocated billing begins (or began) | 02/08/2023 | Required

METHOD USED TO OFFSET CHARGES FOR COMMON AREAS Check one line only.

 Not applicable, because | Bills are based on the tenant's actual submetered consumption

 There are **neither** common areas **nor** an installed irrigation system

 All common areas and the irrigation system(s) are metered or submetered:

We deduct the actual utility charges for water and wastewater to these areas then allocate the remaining charges among our tenants.

 This property has an installed irrigation system that is **not** separately metered or submetered:

 We deduct percent (we deduct at least 25 percent) of the utility's total charges for water and wastewater consumption, then allocate the remaining charges among our tenants.

 This property has an installed irrigation system(s) that **is/are** separately metered or submetered:

We deduct the actual utility charges associated with the irrigation system(s), then deduct at least 5 percent of the utility's total charges for water and wastewater consumption, then allocate the remaining charges among our tenants.

 This property does **not** have an installed irrigation system:

We deduct at least 5 percent of the retail public utility's total charges for water and wastewater consumption, and then allocate the remaining charges among our tenants.

★★★IF UTILITY SERVICES ARE ALLOCATED, YOU MUST ALSO COMPLETE PAGE TWO OF THIS FORM ★★★

 You can e-file this form online through the PUC Interchange Filer (<https://interchange.puc.texas.gov/filer>).

 - You can find instructions for E-Filing at <https://www.puc.texas.gov/industry/filings/E-FilingInstructions.pdf>.

 Or you may mail **one** copy to:
 For USPS:

For all other delivery or courier services:

 Public Utility Commission of Texas Central Records
 P.O. Box 13326
 Austin, TX 78711-3326

 Public Utility Commission of Texas Central Records
 1701 N. Congress Ave., 8-100
 Austin, TX 78701

METHOD USED TO ALLOCATE UTILITY CHARGES

Check the box or boxes that describe the allocation method used to bill tenants.

| | |
|--------------------------|---|
| <input type="checkbox"/> | 1. Occupancy method: The number of occupants in the tenant's dwelling unit is divided by the total number of occupants in all dwelling units at the beginning of the month for which bills are being rendered. |
|--------------------------|---|

| | | | |
|---|-----------------------------------|---------------------|---|
| <input checked="" type="checkbox"/> | 2. Ratio occupancy method: | | Number of Occupants for Billing Purposes |
| The number of occupants in the tenant's dwelling unit is adjusted as shown in the table to the right. This adjusted value is divided by the total of these values for all dwelling units occupied at the beginning of the retail public utility's billing period. | | Number of Occupants | |
| | | 1 | 1.0 |
| | | 2 | 1.6 |
| | | 3 | 2.2 |
| | | >3 | 2.2 + 0.4 for each additional occupant |

| | | | |
|--|---------------------------------------|--------------------|---|
| <input type="checkbox"/> | 3. Estimated occupancy method: | | Number of Occupants for Billing Purposes |
| The estimated occupancy for each unit is based on the number of bedrooms as shown in the table to the right. The estimated occupancy in the tenant's dwelling unit is divided by the total estimated occupancy in all dwelling units regardless of the actual number of occupants or occupied units. | | Number of Bedrooms | |
| | | 0 (Efficiency) | 1 |
| | | 1 | 1.6 |
| | | 2 | 2.8 |
| | | 3 | 4.0 |
| | | >3 | 4.0 + 1.2 for each additional bedroom |

For Box #4: if you check off with the % you will need to choose #1, #2, or # 3 from above as the remainder of no more than 50%.

| | |
|---|--|
| 4. Occupancy and size of rental unit | percent (in which no more than 50%) of the utility bill for consumption is allocated using the occupancy method checked above. The remainder is allocated according to either: |
| <ul style="list-style-type: none"> • the size of the tenant's dwelling unit divided by the total size of all dwelling units, OR • the size of the space rented by the tenant of a manufactured home divided by the size of all rental spaces. | |

| | |
|---|------------------------------|
| <input type="checkbox"/> | Submetered hot water: |
| The individually submetered hot water used in the tenant's dwelling unit is divided by all submetered hot water used in all dwelling units. | |

| | |
|---|---|
| <input type="checkbox"/> | Submetered cold water is used to allocate charges for hot water provided through a central system: |
| The individually submetered cold water used in the tenant's dwelling unit is divided by all submetered cold water used in all dwelling units. | |

| | |
|--------------------------|---|
| <input type="checkbox"/> | As outlined in the condominium contract. Describe: |
| | |

| | |
|---|--|
| <input type="checkbox"/> | Size of manufactured home rental space: |
| The size of the area rented by the tenant divided by the total area of all the size of rental spaces. | |

| | |
|--|--|
| <input type="checkbox"/> | Size of the rented space in a multi-use facility: |
| The square footage of the space rented by the tenant divided by the total square footage of all rental spaces. | |