



Filing Receipt

Filing Date - 2025-01-08 12:12:27 PM

Control Number - 57386

Item Number - 171



CSWR-TEXAS
Utility Operating Company
A CSWR Managed Utility

December 30, 2024

Dear CSWR-Texas Customer,

On December 30, CSWR-Texas Utility Operating Company, LLC ("CSWR-Texas" or the "Company") filed a request with the Public Utility Commission of Texas ("PUCT") and other regulators to increase water and wastewater rates for its Texas customers.

Since 2019, the Company has invested approximately \$50 million in Texas water and wastewater systems. These investments are necessary to ensure that customers served by these systems are now receiving safe and reliable water and wastewater service. These investments have included rectifying issues related to all aspects of its facilities, including its wells, tanks (hydropneumatic tanks, ground storage tanks, and elevated storage tanks), piping, booster pumps, treatment systems, power and control systems, and distribution systems in addition to other functional issues. To date, of the 103 facilities owned by the Company, improvement projects have already been completed at 21 systems in Texas, and have begun implementing improvement projects at 82 additional facilities. As a result, CSWR-Texas is seeking a revenue requirement for water operations of approximately \$13.4 million, which represents an increase of approximately \$5.6 million over revenues collected under current rates. In addition, CSWR-Texas is asking the PUCT to approve a total annual revenue requirement for wastewater operations of approximately \$3.8 million, which represents an annual increase of approximately \$1.3 million over revenues collected under current rates.

CSWR-Texas's rates are subject to the approval of the PUCT and certain municipalities. The Company has requested that rates take effect for all customers on February 3, 2025, which is 35 days after the filing of its application and issuance of this notice to customers. However, **no change in rates will take effect until such change is approved by the applicable regulatory authority.** The attached "Customer Notice" provides further information about this filing, including a description of the change in rates, instructions on how to review the entire application and how to protest the proposed rate change or formally intervene in this proceeding.

While we understand there is never a good time to raise rates, this increase is necessary to allow us to continue to meet our shared goals of providing outstanding wastewater service and safe and reliable drinking water delivered to your taps. It also ensures safe working conditions for our staff and continued prudent business practices.

We welcome any feedback from our customers, whether it is about the proposed rates or about our services. You can contact us at 1-866-301-7725 from 8:00 a.m. to 5:00 p.m., Monday through Friday, or email us at support@cswrtextasuoc.com

Respectfully,
CSWR-Texas Management