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DOCKET NO. 57916

COMPLAINT OF MANUEL REYNA	§	PUBLIC UTILITY COMMISSION
AGAINST AVALON POINT WATER	§	
SERVICES, LLC	§	OF TEXAS

COMMISSION STAFF'S STATEMENT OF POSITION

On April 3, 2025, Manuel Reyna (Mr. Reyna) filed a formal complaint against Avalon Point Water Services, LLC (Avalon) regarding an alleged disconnection of water and wastewater service to Mr. Reyna's property at 518 Mountain Drive, Lakehills, Texas (the Property).

On May 22, 2025, the administrative law judge (ALJ) filed Order No. 3, directing the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a supplemental statement of position by June 6, 2025.

I. COMPLIANCE WITH REQUIREMENTS FOR INFORMAL DISPOSITION

The Commission's procedural rules state that "[a]ny affected person may complain to the commission... setting forth any act or thing done or omitted to be done by any person under the jurisdiction of the commission in violation or claimed violation of any law which the commission has jurisdiction to administer or of any order, ordinance, rule, or regulation of the commission."¹

Under the procedural rules, a complaint must be presented for informal resolution as a prerequisite to filing a formal complaint. Specifically, with a few defined exceptions, "[a person must present a complaint to the commission for informal resolution before presenting the complaint to the commission."²

A search of the Commission's informal complaint database found that an informal complaint involving Mr. Reyna, the complainant in this docket, and involving the same issues, was closed by the Commission on March 20, 2025, under Complaint No. CP202503084.

¹ 16 TAC § 22.242(a).

² 16 TAC § 22.242(c).

Therefore, Staff recommends that Mr. Reyna has complied with the informal resolution requirements of 16 TAC § 22.242(c).

II. JURISDICTION

Order No. 3 directed Staff to confirm whether the complainant has complied with the requirements of 16 TAC § 22.242(e)(1). Staff recommends that Mr. Reyna is not required to satisfy the requirements of 16 TAC § 22.242(e)(1), which states in relevant part:

If a person receives electric, water, or sewer utility service or has applied to receive electric, water or sewer utility service within the limits of a city that has original jurisdiction over electric, water, or sewer utility providing service or requested to provide service, the person must present any complaint concerning the electric, water, or sewer utility to the city before presenting the complaint to the commission.³

Lakehills, Texas is a census-designated place in Bandera, County, Texas. Although Lakehills Texas is not listed as a city that has ceded jurisdiction to the Commission, the location of the property is not within any city limits. Therefore, the requirement to present the complaint to a city under 16 TAC § 22.242(e)(1) does not apply to this complaint.

Order No. 4 additionally directed Staff to discuss whether Mr. Reyna complied with the requirements of 16 TAC § 22.242(f). 16 TAC § 22.242(f) requires ten copies to be filed, including the original for application, petitions, and complaints. Staff has reviewed the record of this proceeding and while Staff believes that while the requirements of 16 TAC § 22.242(f) have not been met, the Second Order Suspending Rules, issued in Project No. 50664 exempts Mr. Reyna from this requirement. Alternatively, due to the facts alleged and the amount of time without water service, Staff believes a good-cause exemption to the requirements in 16 TAC § 22.242(f) is warranted.

III. COMPLAINT

Mr. Reyna alleges in his formal complaint that Avalon disconnected the water and wastewater utility service to the Property on or about March 11, 2025, without prior notice.⁴ Mr. Reyna's water service was reconnected on or around March 21, 2025, due to a PUC Consumer Protection Division (CPD) letter to Avalon requesting reconnection due to the lack of notice.⁵ On

³ 16 TAC § 22.242(c)(1).

⁴ *Response to Commission Staff's First Request for Information* at 1 (May 21, 2025).

⁵ *Id.*

or about April 6, 2025, water service was again disconnected, several days after Avalon's request for payment for a second meter.⁶ The Property has not received water service since.⁷ The complaint does not reference a code section Avalon is in violation of, but requests relief of immediate restoration of his water service. Mr. Reyna contends his water service was erroneously disconnected, as he has only one dwelling physically connected to the water meter on the Property. Reyna maintains that no changes to the water meter have been made and the second structure on his property is unfinished, unused, and not connected to any plumbing or water source.⁸ Additionally, in his response to Staff's first request for information (RFI), Mr. Reyna lists additional requested relief including a finding of noncompliance and bad faith by Avalon and enforcement action thereto, prohibition against a second meter requirement, a refund or credit for improper billing during the disconnection period, among other requested relief.⁹

IV. AVALON RESPONSE

Order No. 3 directed Avalon to file a response to the complaint by May 30, 2025. In its response, Avalon alleged on March 10, 2025, Avalon was replacing a meter on the Property that had been reversed by Mr. Reyna to read no water usage.¹⁰ Avalon then discovered a second residential structure on the Property connected to the water meter, in violation of the utility's terms of service, and Avalon immediately locked out the water service to the Property and provided notice to Mr. Reyna.¹¹ On March 21, Avalon reconnected water service to the Property at the direction of the PUC Consumer Protection Division (CPD) for a lack of notice.¹² Avalon provided notice of an imminent disconnection due to multiple residential structures on the Property, with an

⁶ *Id.*

⁷ *Id.* at 2.

⁸ *Id.* at 3.

⁹ *Id.* at 4 (May 23, 2025).

¹⁰ *Avalon Point Response to Complaint* (May 23, 2025).

¹¹ *Id.*

¹² *Id.* at 2.

opportunity to pay a tap fee and other fees to reconnect service.¹³ On March 31, without any further communication with Mr. Reyna, Avalon once again disconnected water service to the Property.¹⁴

V. STATEMENT OF POSITION

Staff has reviewed the pleadings in this docket and responses to discovery requests submitted by Mr. Reyna and Avalon and respectfully recommends the complaint be referred to the State Office of Administrative Hearings for a hearing on the merits. Based on the positions of Mr. Reyna and Avalon, along with the length of time without service, Staff believes certain issues in this complaint that warrant further examination that need to be further developed to arrive at a reasonable resolution among the parties.

VI. CONCLUSION

For the reasons detailed above, Staff respectfully requests the entry of an order consistent with its recommendations.

Date: June 6, 2025

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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¹³ *Id.*

¹⁴ *Id.*

/s/ Juan Guajardo

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CERTIFICATE OF SERVICE

I certify that unless otherwise ordered by the presiding officer, notice of the filing of this document will be provided to all parties of record via electronic mail on June 6, 2025 in accordance with the Second Order Suspending Rules, issued in Project No. 50664.

/s/ Juan Guajardo

Juan Guajardo