

ORDINANCE NO.

AN ORDINANCE DENYING AN INCREASE IN WATER AND WASTEWATER RATES PROPOSED BY UNDINE, LLC FOR ITS CUSTOMERS LOCATED IN THE CITY'S CORPORATE LIMITS IN THE AREA KNOWN AS GREENSHORES ON LAKE AUSTIN.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. On December 19, 2024, Undine, LLC (Undine) filed an Amended Application and Statement of Intent with the City to increase water and wastewater rates for its customers in the corporate limits of the City in the area known as Greenshores on Lake Austin.

PART 2. Under Texas Water Code Chapter 13, Council has original regulatory authority over water and wastewater utility rates charged by investor-owned utilities to customers who reside in the City's corporate limits.

PART 3. On January 30, 2025, in accordance with its authority under Texas Water Code Section 13.187, Council adopted Ordinance No. 20250130-005 suspending the effective date of Undine's proposed rate changes so that the City's utility rate analysts could review and formulate a recommendation.

PART 4. The City's utility rate analysts concluded their review of Undine's rate filing to evaluate whether Undine's proposed water and wastewater rate increases result in just and reasonable rates and, after holding a formal meeting with Undine on April 1, 2025, in accordance with City Code Section 15-4-91(B), determined that Undine's Statement of Intent fails to show that its proposed changes to water and wastewater rates are just and reasonable.

PART 5. In accordance with its authority under Texas Water Code Chapter 13 and City Code Section 15-4-54, upon conclusion of the public hearing on April 24, 2025, finding that Undine's Statement of Intent fails to establish that the proposed change in water and wastewater rates results in just and reasonable rates, Council hereby denies Undine's requested changes in water and wastewater rates. The attached proposed order (Exhibit A) is adopted and incorporated into this ordinance.

PART 6. The City Manager is authorized to participate in any related proceedings, including intervention at the Public Utility Commission of Texas and in a court of law.

PART 7. Notice of this ordinance shall be provided to Undine.

