ORDINANCE NO.

AN ORDINANCE AFFECTING RATE CHANGES PROPOSED BY UNDINE, LLC, DENYING PROPOSED CHANGES TO WASTEWATER RATES AND APPROVING CHANGES TO WATER RATES FOR UNDINE, LLC'S CUSTOMERS LOCATED IN THE CITY'S CORPORATE LIMITS IN THE AREA KNOWN AS GREENSHORES OF LAKE AUSTIN.

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

PART 1. On or about March 28, 2024, Undine, LLC, ("Undine") filed a Statement of Intent with several municipalities, including the City of Austin, and the Public Utility Commission of Texas requesting approval to change water and wastewater rates for its utility customers, some of whom are located in the municipal corporate limits of Austin.

PART 2. Under Chapter 13 of the Texas Water Code, the City 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 May 2, 2024, in accordance with its authority under Section 13.187 of the Texas Water Code, Council adopted Ordinance No. 20240502-007 suspending the effective date of Undine's proposed rate change 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 rate increase results in just and reasonable rates and, after holding a formal meeting with Undine on July 9, 2024, 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 wastewater rates are just and reasonable.

PART 5. In accordance with its authority under Chapter 13 of the Texas Utilities Code and City Code Section 15-4-54, upon conclusion of the public hearing on July 18, 2024, finding that Undine's Statement of Intent fails to establish that the proposed change in wastewater rates results in just and reasonable rates, the City Council hereby denies Undine's requested changes in wastewater rates. The changes proposed by Undine to water rates, however, are appropriate, just, and reasonable and are hereby approved. 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.

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PART 8. This ordinance takes effect on _____, 2024.

PASSED AND APPROVED

	§	
	§	
_____, 2024	§	_____
		Kirk Watson
		Mayor

APPROVED: _____ **ATTEST:** _____

Deborah Thomas	Myrna Rios
Acting City Attorney	City Clerk

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