

# Utili-Facts

## Appealing a Rate Change Decision

### Made by a Board of Directors, A City Council, or County Commissioners

If your water or sewer utility<sup>1</sup> changes its rates and you wish to contest the decision, the Public Utility of Texas (PUCT) cannot review the retail rates charged by some types of utilities unless you file an appeal in the form of a petition. [Texas Water Code (TWC), Section 13.043(b)] Parties to a rate proceeding before the governing body of a municipality may have different appeal rights under TWC, Section 13.043(a).



The petition must be signed by 10 percent of the affected ratepayers (customers) eligible to appeal. (If there are more than 100,000 eligible ratepayers, the petition is valid if at least 10,000 affected ratepayers sign it.)

You must send the petition to the PUCT within a specific period of time, as discussed later in this publication.

#### Who Can Appeal a Rate Change Decision?

You and your fellow ratepayers may file an appeal if you are served by one of the types of utilities listed below. Also shown is who has original authority to approve or “set” the rates.

| Type of Utility  | Who sets the rates?                             |
|--|---|
| Water Supply Corporations (WSC)                                      | Board of Directors of the WSC                   |
| Water District or River Authority                                    | Board of Directors of the District or Authority |
| Private- or Investor-Owned Utility Operating Inside a City           | City Council                                    |
| City-Owned Utility Serving Customers Outside the City <sup>2</sup>   | City Council                                    |
| County within 50 Miles of the U.S.-Mexico Border Who Sets the Rates? | County Commissioners                            |

#### Who Can Sign the Petition?

Each person receiving a separate bill is considered a “ratepayer.” However, you can only be considered a single ratepayer regardless of the number of bills you receive. A petition can be signed by

<sup>1</sup> The term “utility,” as used in this publication, corresponds with “retail public utility” as defined by the Texas Water Code, §13.002(19).

<sup>2</sup> Only ratepayers living outside the city are eligible to appeal. The PUCT does not have jurisdiction to review the rates charged by a city to in-city, retail customers.

either you as the ratepayer, or by your spouse.

#### What Should the Petition Say?

Each signature page of the petition should include the following:

1. A statement that the petition is an appeal of the decision that set the new rates. In the case of an investor-owned utility (IOU) operating within a city, the petition should state that it appeals the decision that the city made on a rate change requested by the utility.
2. A short description of the rate change, noting both the old and the new rates.
3. The effective date of the rate change and the date the ratepayers were notified of the rate change.
4. A statement about why you and your fellow ratepayers are requesting that the PUCT review the decision setting the rates.
5. The name and address of an individual or organization that is willing to act as the ratepayers’ representative.
6. The mailing address and phone number of the utility. In the case of an IOU operating within a city, the petition should also include the name, mailing address, and phone number of the city.

Each ratepayer signing the petition should write legibly and provide the following information:

- Name,
- Telephone number,
- Street or rural address where the utility service is received (a post office box is not sufficient), and
- Mailing address (if it differs from the address where service is received).

A sample petition appears on the back of this information sheet. This sample should only be used as a guideline. The wording underlined on the sample should be revised as needed for your petition. All the information noted above should be included in your petition.

#### How is the Petition Filed?

Send a copy of the petition to the utility, and file seven copies of the petition, including the original with the PUCT at:



#### QUESTIONS:

Call: 512-936-7405

#### Write:

Public Utility Commission  
Water Utility Division  
1701 N. Congress Ave.  
P.O. Box 13326,  
Austin, TX 78711-3326

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