



CITY OF HOUSTON

John Whitmire
Mayor

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October 7, 2025

Dear Aqua Texas, Inc. Customer,

The City of Houston (City or Houston) will conduct a public hearing regarding the Aqua Texas, Inc. (Aqua Texas) proposed water and sewer rate change on:

Monday, October 27, 2025, at 6:00 p.m.
City Hall Annex Council Chambers, City Hall Annex, Public Level
900 Bagby, Houston, Texas 77002

The hearing will offer the option to participate virtually via video conference or in-person. The video conference link will be made available prior to the meeting on the City website at:

<https://houstontx.gov/ara/utility/aquatexas2025.html>

About Aqua Texas' Request to Change Water and Sewer Rates

On June 20, 2025, Aqua Texas filed an application to change rates with the City for customers within the Houston city limits. Aqua Texas filed a similar application with the Public Utility Commission of Texas (PUC) for customers in unincorporated (environs) areas. The proposed rate change impacts Houston customers served by the Oak Manor, Brittmoore – West by Northwest, Walraven, Summer Lakes Ranch, and The Commons systems.

What this means for you — the customer. According to the utility's initial application, Aqua Texas seeks approval of a consolidated statewide tariff and is requesting a total (consolidated system) revenue increase of approximately \$17.8 million (water) and \$11.4 million (wastewater) for retail customers. The specific rate impact to Houston customers will vary by system, meter size and gallons used. For the proposed rates, please refer to the Aqua Texas Notice which is available on the City of Houston's website at <https://www.houstontx.gov/ara/utility/index.html>.

Important Dates.

- **July 25, 2025.** Aqua Texas planned for the proposed rates to go into effect on July 25, 2025 — 35 days after Aqua Texas filed its application with the City. However, the City identified certain issues with the application, which was not accepted until Aqua Texas corrected those deficiencies and proposed a new effective date of September 2, 2025.
- **September 2, 2025.** On August 26, 2025, the City approved Ordinance No. 2025-699, suspending the effective date of the rate change for 90 days to December 1, 2025. During the suspension period, the City's experts will review Aqua Texas' requested rate change, and the City will take public comments on the proposed rates and customer service issues.
- **December 1, 2025.** Houston City Council will consider an ordinance on Aqua Texas' proposed rates prior to December 1, 2025. The City Council's action could be denial, approval, or amendment of the

proposed rates. If the City does not adopt an ordinance before December 1, 2025, Aqua Texas' proposed rates will automatically go into effect.

The City's Role in the Rate Case Process. Aqua Texas is an investor-owned water/wastewater utility (IOU) with exclusive authority to provide water and sewer services to customers within its certificated service areas, including customers located in Houston as granted under Certificate of Convenience (CCN) No. 13203 (water) and No. 21065 (sewer). CCNs are issued by the PUC and are granted for an indefinite period of time.

Under State law, the City has regulatory authority over Aqua Texas' rates and services for customers within city limits. The City, as regulatory authority, is tasked with balancing the interests of the customers and utilities. The City is committed to ensuring Houston utility customers receive fair and equitable rates, while taking into consideration and balancing the financial integrity of the utility with the integrity of the infrastructure. In order to carry out this function, the City takes a proactive role in the rate case process. In this rate case, the City engaged a rate expert to review Aqua Texas' application to change water and sewer rates to determine just and reasonable rates and prepare a final recommendation.

Your role as a customer. The City encourages public participation in rate case proceedings. These proceedings, such as the current Aqua Texas Rate Case, often have a direct impact on City residents and businesses. Public comments help inform regulatory agencies, such as the City, of public concerns and issues to be explored. The City encourages Aqua Texas customers to attend the October 27, 2025 Public Hearing or submit written comments by October 27, 2025. Email comments to utilitycomplaints@houstontx.gov or mail comments to: Utility Complaints, Administration & Regulatory Affairs Department, City of Houston, 611 Walker, 13th Floor, Houston, TX 77002.

For more information, please contact Alisa Talley at alisa.talley@houstontx.gov or 832.393.8531 or Nick Hadjigeorge at Nicholas.Hadjigeorge@houstontx.gov or 832.393.8507.

DocuSigned by:

Alisa Talley

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