

## **SUNSET ADVISORY COMMISSION HEARING – DECEMBER 15, 2010**

**Good Morning Mr. Chairman and Commission Members, my name is Orville R. bevel, Jr., and I am here as the Chairman of Texans Against Monopolies Excessive Rates (T.A.M.E.R.). We represent more than 58 subdivisions in 17 Counties, as well as numerous small businesses, charitable organizations, small municipalities and individual ratepayers battling outrageous water and sewer rates routinely imposed by the large IOUs, such as Monarch/SWWC.**

**On May 25, 2010 we were able to provide you with testimony concerning changes we felt should be made in the ratemaking process and suggested that the entire ratemaking process should be transferred from the TCEQ to the PUC.**

**We strongly support the Sunset Advisory Commission Supplement to Staff Report dated November 2010, in particular, S 1.4 – Transfer responsibility for regulating water and wastewater rates and services from the TCEQ to PUC. We also concur and recommend that S 1.5 & S 1.6 be implemented.**

**The primary purpose of my testimony today is to point out the huge disparity in rates charged by the large (and growing) IOUs versus what small to large municipalities and privately owned water/sewer providers are charging. Attached is a chart we presented in May that shows where Monarch/SWWC's rates are in comparison to municipalities of all sizes. This disparity in rates holds true for several of the other large IOUs, and we would be happy to discuss these with you. Generally, we attribute these disparities to the imbalances in wealth, sophistication and sense of community duty between the large IOUs and other types of providers.**

**Additionally we would request that the ongoing use of a 12% return on investment used by the TCEQ and the large IOU's be dropped to a reasonable return.**

**Thank you for the opportunity to provide this information. The T.A.M.E.R. Board and the over 15,000 members living within T.A.M.E.R. subdivisions stand ready to work with the commission and the Legislature to implement these changes to level the playing field for the consumer.**

**Have a Merry Christmas & a Happy New Year.**

**Orville R. Bevel, Jr.  
Chairman – T.A.M.E.R.**

**President – Greater Lake Palestine Council (GLPC)  
Board Member – Texas Neighborhoods Together**