



Public Utility Commission of Texas

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Public Utility Commission of Texas Appoints Temporary Manager for Water Utility Blue Cereus

Austin, Texas – The Public Utility Commission of Texas’ (PUC) Interim Executive Director today [appointed a temporary manager](#) for Blue Cereus LLC, a water utility in Val Verde County, Texas, to ensure continuous and safe water service for the utility’s customers.

Blue Cereus provides retail water service to two public water systems (PWS) in Val Verde County, La Caleta Estates and San Pedro Village, serving approximately 80 connections. The utility secures its potable water supply from two wholesale providers, San Pedro Water Resources, JV and Seguro Water Co, LLC.

On Jan. 8, 2024, both wholesale providers informed Blue Cereus of their intent to stop providing water, explaining that Blue Cereus had not made efforts to secure a water purchase contract, despite a July 14, 2023 order from the Texas Commission on Environmental Quality (TCEQ) requiring them to do so. PUC staff confirmed Blue Cereus also had not made other arrangements for the provision of wholesale water or resolved previous disputes over money it owes the wholesale providers. In addition, the wholesale providers intended to shut off water supply on Feb. 1, 2024, unless a temporary manager was appointed.

To ensure safe, reliable, and continuous water service for La Caleta Estates and San Pedro Village, the Commission appointed Central States Water Resources-Texas Utility Operating Company, LLC (CSWR) to serve as a temporary manager. CSWR has experience acting as a temporary manager for utilities in accordance with Commission orders and provides water service to more than 6,795 connections across the state. Blue Cereus’ wholesale providers have committed to work with CSWR as the parties resolve their outstanding contract dispute.

As temporary manager, CSWR will operate Blue Cereus. CSWR will respond to consumer complaints, read meters, bill customers, collect payments, and perform system maintenance. CSWR must comply with TCEQ and PUC rules and employ a TCEQ-licensed operator for the duration of the appointment. Blue Cereus customers will see a monthly \$15.00 fee per connection per month on their bills to cover the cost of the temporary manager.

CSWR will serve as temporary manager for one year or until the Commission orders otherwise. Due to the time sensitive nature of the utility’s abandonment, the PUC’s interim executive director appointed CSWR as temporary manager through an emergency order without a hearing. A hearing before the



Commission to affirm, modify or set aside the emergency order is set for the Commission's open meeting on March 21, 2024.

Consumer questions or complaints should be directed to the temporary manager by calling 1-866-301-7725 or by emailing support@cswrtexaswateruoc.com. If the temporary manager is unable to address the issue, consumers can contact the PUCT's Consumer Protection Division with billing and service questions by calling 888-782-8477 or by emailing consumer@puc.texas.gov.

If the temporary manager is unable to respond to water quality questions or complaints, those should be directed to TCEQ's Region 16 Laredo Office by calling 956-791-6611.

About the Public Utility Commission of Texas

Our mission is to serve Texans by regulating the state's electric, telecommunication, and water and sewer utilities, implementing respective legislation, and offering customer assistance in resolving consumer complaints. Since its founding in 1975, the Commission has a long and proud history of service to Texas, protecting customers, fostering competition, and promoting high quality infrastructure. To learn more, please visit <https://www.puc.texas.gov>.