



Control Number: 40000



Item Number: 526

Addendum StartPage: 0

AQUA TECH

Water and Disposal, LLC

2013 OCT 28 AM 10:47

October 16, 2013

Public Utilities Commission of Texas
Re: PUCT Project No. 40000
P.O. Box 13326
Austin, TX 78711

Dear Commissioner:

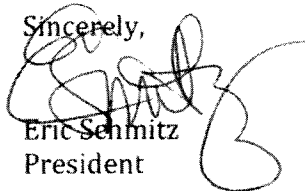
The latest forecast done by the Electric Reliability Council of Texas predicts a long term decline in operating reserves for electricity. This is something that does concern me. Recent news that the Public Utility Commissioners are examining reforms to the state's electricity marketplace is reassuring for my business. A power shortage crisis is something that we cannot simply afford in Texas.

Texas currently operates an "energy only" market. This "energy only" market functioned well as long as both demand for electricity and natural gas prices, which drive electricity prices, increased. While the booming Texas economy has kept demand up, natural gas prices have come down from a high of almost \$14.00 MMBtu to historic lows below \$4 today in just the last 6 years.

The technology is now available to allow oil companies to recycle water used by hydraulic fracturing. This new technology will reduce the amount of fresh water being used for oil production in Texas as well as provide environmental benefits. However, for my company to provide this service it takes electricity.

There is no better time than right now for Texas to reform the energy market and provide the necessary improvements needed to meet the growing demand of power across the state. We hope that the Public Utility Commission of Texas will ensure that Texas has the electricity reserves it needs to operate.

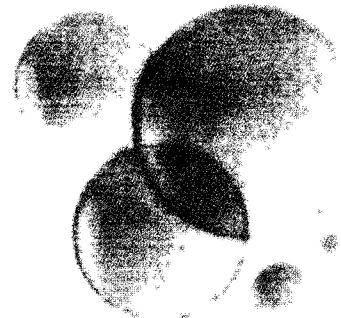
Sincerely,



Eric Schmitz
President

CC: Governor Rick Perry

100 Highland Park Village • Suite 200 • Dallas, TX 75205 • (214) 295-3001
www.aquatechwd.com



626