



Control Number: 43342



Item Number: 11

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Donna L. Nelson
Chairman

Kenneth W. Anderson, Jr.
Commissioner

Brandy Marty Marquez
Commissioner

Brian H. Lloyd
Executive Director



Greg Abbott
Governor

2015 JAN 21 PM 12:36

Public Utility Commission of Texas

TO: Bret W. Fenner, P.E.
B & D Environmental, Inc.
P. O. Box 500264
Austin, TX 78750

Commission Staff – Water Utility Regulation
Commission Staff – Legal Division

RE: Tariff Control No. 43342 – *Application of Suburban Utility Company for Pass Through Rate Change (37958-R)*

NOTICE OF APPROVAL

On June 25, 2014, Suburban Utility Company (Suburban Utility) filed an application, pursuant to P.U.C. SUBST. R. 24.21, for approval to adjust its tariff to pass through increases in purchase water or sewer fees. Suburban Utility holds Certificate of Convenience and Necessity No. 10835. Suburban Utility seeks to recover the rate increase for a purchase water rate increase imposed by the City of Houston's Groundwater Reduction Plan Program (GRP) in Harris County, Texas. Castlewood Subdivision in Spring, Texas is listed as the subdivision being affected by the pass through adjustment. Suburban Utility requests approval of the new pass through rate of \$0.81 per 1,000 gallons. The pass through rate adjustment for the Houston GRP was effective September 1, 2014.

On January 16, 2015, Public Utility Commission of Texas (Commission) Staff filed a recommendation for approval of the application for new pass through rate of \$0.81 per 1,000 gallons. Staff determined that the application was complete and that notice, as mailed to customers, satisfied the requirements of P.U.C. SUBST. R. 24.21(h)(4) and (5). In addition, Commission Staff recommended that the first bill, with the pass through adjustment fee, issued by Suburban Utility include a short statement that this rate change is being implemented in accordance with the utility's approved pass through provision water adjustment clause for fees related to the City of Houston's GRP. Staff recommended that if Suburban Utility collects an amount as a result of the proposed rate increase that is higher than the purchased water costs



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incurred, then Suburban Utility must refund any amounts collected in excess of the purchased water costs incurred and refunds should be made for the same length of time as the proposed rates were collected.

Consistent with Staff's recommendation, the application is approved, effective September 1, 2014. After issuance of this Notice, the next bill issued by Suburban Utility with the pass through adjustment shall include a short statement that this rate change is implemented in accordance with the utility's approved pass through provision water adjustment clause for fees related to the City of Houston's GRP. If Suburban Utility collects an amount as a result of the proposed rate increase that is higher than the purchased water costs incurred, then Suburban Utility shall refund any amounts collected in excess of the purchased water costs incurred. Refunds shall be made for the same length of time as the proposed rates were collected.

SIGNED AT AUSTIN, TEXAS on the 21st day of January 2015.

PUBLIC UTILITY COMMISSION OF TEXAS


IRENE MONTELONGO
DIRECTOR, DOCKET MANAGEMENT

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WATER UTILITY TARIFF FOR

Suburban Utility Company
(Utility Name)

P.O. Box 455
(Business Address)

Spring, Texas 77383
(City, State, Zip Code)

(281) 444-7747
(Area Code/Telephone)

This tariff is effective for utility operations under the following Certificate of Convenience and Necessity:

10835

This tariff is effective in the following county:

Harris County

This tariff is effective in the following cities or unincorporated towns (if any):

N/A

This tariff is effective in the following subdivisions and public water systems:

Beaumont Place (PWS ID#1010098); Castlewood Subdivision (PWS ID#1010111); Cypress Bend Subdivision (PWS ID#1010119); Reservoir Acres Subdivision (PWS ID#1010197)

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The above utility lists the following sections of its tariff (if additional pages are needed for a section, all pages should be numbered consecutively):

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TARIFF CONTROL NO. 43342

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SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonage Charge</u>
5/8"x3/4"	<u>\$23.00</u> (Includes 0 gallons)	<u>\$2.15</u> per 1000 gallons up to 20,000 gallons
3/4"	<u>\$23.00</u>	<u>\$2.40</u> per 1000 gallons from 20,001 to 35,000 gallons
1"	<u>\$57.50</u>	<u>\$2.65</u> per 1000 gallons from 35,001 to 50,000 gallons
1½ "	<u>\$115.00</u>	<u>\$3.00</u> per 1000 gallons from 50,001 gallons and up
2"	<u>\$184.00</u>	*Plus Pass Through fees below
3"	<u>\$345.00</u>	

*Pass Through For Cypress Bend Subdivision:

\$0.89 per 1000 gallons additional fee will be added as a Pass Through charge by North Harris County Regional Water Authority (NHCRWA) for the customers in Cypress Bend Subdivision only.

\$0.95 per 1000 gallons (which is \$0.81 plus line loss of 15 percent) will be added as a Pass Through charge by the City of Houston for customers in Castlewood Subdivision.

FORM OF PAYMENT: The utility will accept the following forms of payment:

Cash X, Check X, Money Order X, Credit Card , Other (specify)
 THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

REGULATORY ASSESSMENT 1.0%
 TCEQ RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL.

Section 1.02 - Miscellaneous Fees

TAP FEE \$600.00
 TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 5/8" or 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE (Unique costs) Actual Cost
 FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL AREAS.

TAP FEE (Large meter) Actual Cost
 TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50) \$50.00

SECTION 1.0 -- RATE SCHEDULE (Continued)

COMMERCIAL & NON-RESIDENTIAL DEPOSIT..... 1/6TH OF ESTIMATED ANNUAL BILLRETURNED CHECK CHARGE..... \$25.00
RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

RECONNECTION FEE

THE RECONNECT FEE MUST BE PAID BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS (OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF):

- a) Non payment of bill (Maximum \$25.00) \$25.00
- b) Customer's request that service be disconnected..... \$50.00

TRANSFER FEE \$35.00
THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED.LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL) \$5.00
TCEQ RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.METER TEST FEE..... \$25.00
THIS FEE WHICH SHOULD REFLECT THE UTILITY'S COST MAY BE CHARGED IF A CUSTOMER REQUESTS A SECOND METER TEST WITHIN A TWO-YEAR PERIOD AND THE TEST INDICATES THAT THE METER IS RECORDING ACCURATELY. THE FEE MAY NOT EXCEED \$25.METER RELOCATION FEE Actual Relocation Cost, Not to Exceed Tap Fee
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.METER CONVERSION FEE..... Actual Conversion Cost, Not to Exceed Tap Fee
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS CHANGE OF SIZE OF AN EXISTING METER OR CHANGE IS REQUIRED BY MATERIAL CHANGE IN CUSTOMER'S SERVICE DEMAND.

LINE EXTENSION AND CONSTRUCTION CHARGES:

REFER TO SECTION 3.0--EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES WHEN NEW CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:

WHEN AUTHORIZED IN WRITING BY TCEQ AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [30 TAC 291.21(K)(2)]

SECTION 1.0 -- RATE SCHEDULE (Continued)

PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE:

CHANGES IN FEE IMPOSED BY ANY NON-AFFILIATED THIRD PARTY WATER SUPPLIER OR UNDER GROUND WATER DISTRICT HAVING JURISDICTION OVER THE UTILITY SHALL BE PASSED THROUGH AS AN ADJUSTMENT TO THE WATER GALLONAGE CHARGE ACCORDING TO THE FOLLOWING FORMULA:

AG = $G + B/(1-L)$, where
AG = adjusted gallonage charge, rounded to the nearest one cent;
G = approved gallonage charge (per 1,000 gallons);
B = change in purchased water/district gallonage charge (per 1,000 gallons);
L = system average line loss for preceding 12 months not to exceed 0.15