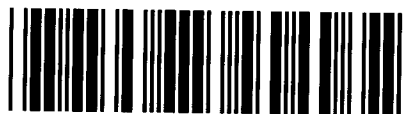




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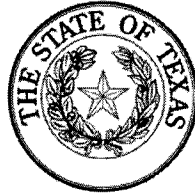
Item Number: 6

Addendum StartPage: 0

House Bill (HB) 1600 and Senate Bill (SB) 567 83rd
Legislature, Regular Session, transferred the functions
relating to the economic regulation of water and sewer
utilities from the TCEQ to the PUC effective
September 1, 2014.

43640

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



SOAH DOCKET NO. 582-12-8091
TCEQ DOCKET NO. 2012-1463-UCR
APPLICATION NO. 37233-R

2014 NOV -6 PM 1:58
 PUBLIC UTILITY COMMISSION
 FILING CLERK

RECEIVED

APPLICATION OF W.E. VLASEK DBA
 SHALAKO ESTATES AND CANYON
 SPRINGS WATER SYSTEMS,
 CERTIFICATE OF CONVIENCE AND
 NECESSITY NO. 12685, FOR A
 WATER RATE/TARIFF CHANGE IN
 KERR COUNTY

§
§
§
§
§
§

BEFORE THE
 TEXAS COMMISSION ON
 ENVIRONMENTAL QUALITY

ORDER

An application by W.E. Vlasek dba Shalako Estates and Canyon Springs Water Systems (Applicant) for a water rate and tariff change in Kerr County (Application) was presented to the Executive Director (ED) of the Texas Commission on Environmental Quality (TCEQ or Commission) for approval pursuant to Section 5.122 of the Texas Water Code (Code). The Applicant provides water service in Kerr County, Texas, and is a public utility as defined in Section 13.002(23) of the Code.

On December 28, 2011, the Applicant filed the Application with the Commission, which was assigned Application No. 37233-R. Notice of the rate change, with a proposed effective date of May 21, 2012, was provided to the customers by the Applicant. The notice of the rate increase, which was provided by mail on February 8, 2012, complied with the notice requirements of Section 13.187 of the Code and 30 Texas Administrative Code (TAC) Section 291.22 and was sufficient to place affected persons on notice regarding the proposed rate increase.

5

The Commission received timely requests for a public hearing on the application from more than 10% of the customers. Therefore, pursuant to Section 291.28 of the Commission's rules, the matter was referred to the State Office of Administrative Hearings (SOAH) for a contested case hearing.

A preliminary hearing was held on October 11, 2012, at SOAH in Austin, Texas for the above captioned matter. The Honorable Administrative Law Judge (ALJ), Hunter Burkhalter, took jurisdiction and admitted the following as parties: (1) Shalako Estates and Canyon Springs Water Systems (Applicant); (2) Fred B. Jeffries Jr., (Protestant); (3) the Executive Director of the Texas Commission on Environmental Quality; and (4) the Office of the Public Interest Counsel of the TCEQ. During the preliminary hearing, the parties entered into settlement negotiations and reached a settlement in the matter. The parties agreed to a remand of the case. Therefore, pursuant to 30 TAC § 80.101, on October 18, 2012, the matter was dismissed from the SOAH docket by the ALJ and remanded back to the ED for uncontested processing.

The rate structure agreed to by the designated parties, to be effective November 21, 2012, is just, reasonable and adequate to allow the utility to recover its cost of providing service, as required by Sections 13.182 and 13.183 of the Code.

NOW, THEREFORE, BE IT ORDERED BY THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY that:

1. Application No. 37233-R by Shalako Estates and Canyon Springs Water Systems for a water rate change, as amended by the parties October 11, 2012, settlement agreement, is hereby approved as reflected in the tariff attached to this Order.
2. Unless previously provided, the Applicant shall provide written notice of the final rate structure approved in this proceeding to all affected customers with

the next billing cycle after issuance of this Order.

3. The Chief Clerk of the Texas Commission on Environmental Quality shall forward a copy of this Order to the parties.

4. If any provision, sentence, clause, or phrase of this Order is for any reason held to be invalid, the invalidity of any portion shall not affect the validity of the remaining portions of the Order.

ISSUE DATE: **March 12, 2013**

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY


For the Commission

WATER UTILITY TARIFF FOR

W.E. Vlasek dba Shalako Estates and
Canyon Springs Water Systems
(Utility Name)

P.O. Box 326
(Business Address)

Hunt, Texas 78024
(City, State, Zip Code)

830/238-4877
(Area Code/Telephone)

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

12685

This tariff is effective in the following county:

Kerr

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

None

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

Canyon Springs: PWS ID#1330006

Shalako Estates: PWS ID#1330119

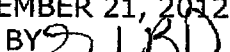
TABLE OF CONTENTS

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

SECTION 1.0 -- RATE SCHEDULE	2
SECTION 2.0 -- SERVICE RULES AND POLICIES	4
SECTION 3.0 -- EXTENSION POLICY	11
SECTION 4.0 -- DROUGHT CONTINGENCY PLAN.....	16

APPENDIX A -- SAMPLE SERVICE AGREEMENT

APPENDIX B -- APPLICATION FOR SERVICE

TEXAS COMM. ON ENVIRONMENTAL QUALITY
37233-R, CCN 12685, NOVEMBER 21, 2012
APPROVED TARIFF BY 

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

MONTHLY BASE RATE BY METER SIZE (INCLUDES 0 GALLONS)	Effective on November 21, 2012	Effective on November 21, 2013
5/8 x 3/4 inch	\$28.50	\$30.50
1 inch	\$72.54	\$77.53
1½ inch	\$145.08	\$155.06
2 inch	\$232.12	\$248.10
3 inch	\$435.23	\$465.18
GALLONAGE CHARGE PER 1,000 GALLONS		
0 TO 10,000 GALLONS	\$4.00	\$4.15
10,001 GALLONS AND UP	\$5.20	\$5.40

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 \$750.00
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.

RATES LISTED ARE EFFECTIVE ONLY
IF THIS PAGE HAS TCEQ APPROVAL STAMP

TEXAS COMM. ON ENVIRONMENTAL QUALITY
37233-R, CCN 12685, NOVEMBER 21, 2012
APPROVED TARIFF BY

SECTION 1.0 -- RATE SCHEDULE (Continued)

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 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. THERE WILL BE NO CHARGE FOR THE INITIAL TEST REQUEST.

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 \$40.00

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.

RETURNED CHECK CHARGE \$25.00

RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

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

COMMERCIAL & NON-RESIDENTIAL DEPOSIT 1/6TH OF ESTIMATED ANNUAL BILL

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)]

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.

RATES LISTED ARE EFFECTIVE ONLY
IF THIS PAGE HAS TCEQ APPROVAL STAMP

TEXAS COMM. ON ENVIRONMENTAL QUALITY
37233-R, CCN 12685, NOVEMBER 21, 2012
APPROVED TARIFF BY 