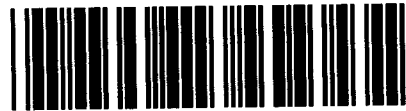


Control Number: 43918



Item Number: 1

Addendum StartPage: 0

House Bill (HB) 1600 and Senate Bill (SB) 567 83<sup>rd</sup>  
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

# TCEQ Interoffice Memorandum

43918  
RECEIVED

TO: Elizabeth Nichols  
Business Support Section

2014 DEC -8 AM 8:25

PUBLIC UTILITY COMMISSION  
FILING CLERK

THRU: Lisa Fuentes, Team Leader  
Utilities Financial Review Team  
Utilities & Districts Section  
6/15/12

Vera Poe, P.E., Team Leader  
Utilities Technical Review Team  
Utilities & Districts Section  
6/15/12

FROM: Elizabeth Flores  
Utilities Financial Review Team  
Water Supply Division  
6/15/12

K.A.  
6/15/12 Kamal Adhikari, E.I.T.  
Utilities Technical Review Team  
Water Supply Division

RECEIVED

JUL 02 2012

TCEQ  
CENTRAL FILE ROOM

DATE: June 18, 2012

SUBJECT: Water Rate Change Application of Joe C. DeSmit dba Knob Hills Water System, Certificate of Convenience and Necessity No. 11414 in Denton County; Application No. 37152-R

CN: 600642532; RN: 101197127

A water rate/tariff change application was filed by the above referenced utility. The rate change application was not referred to SOAH. Staff has completed their technical review and the proposed rates are approved.

To complete the closure of this application, please do the following:

- Forward the original applications to central records
- Forward the attached letter and enclosure to the applicant
- Update the database to reflect the completion and closure of these applications as of the date of this memo.

**Case Status: C**

Bryan W. Shaw, Ph.D., *Chairman*  
Carlos Rubinstein, *Commissioner*  
Toby Baker, *Commissioner*  
Zak Covar, *Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

June 15, 2012

Ms. Karen Long-DeSmit, Co-Owner  
Knob Hills Water System  
2861 High Meadow  
Little Elm, Texas 75068

Re: Water Rate Change Application of Joe C. DeSmit dba Knob Hills Water System, Certificate of Convenience and Necessity No. 11414 in Denton County; Application No. 37152-R

CN: 600642532; RN: 101197127

Dear Ms. Long-DeSmit:

The Texas Commission on Environmental Quality (TCEQ) did not receive protests from ten percent of your customers during the statutory comment period for the above referenced application. Therefore, our proposed rate schedule was effective on February 27, 2012, without a public hearing pursuant to the requirements of Texas Water Code, Section 13.187. Please mail a copy of the attached notice to each of your customers with your next billings.

**Enclosed is a copy of the approved rate schedule pages for your tariff. You should retain a complete copy of your utility's approved tariff at each of the utility's business offices or designated sales offices.**

Pursuant to TWC, Section 13.187, you may not file a statement of intent to increase your rates more than once in a twelve month period except for the following reasons:

- to implement an approved purchased water pass through adjustment; or
- to adjust the rates of a newly acquired utility system; or
- a financial hardship exists as determined by the TCEQ.

You are required by TCEQ rules to assist anyone seeking information on your approved rates or service policies and to make copies of your tariff available upon request at reasonable reproduction costs. You are also required to maintain copies of the current TCEQ Permanent Rules, 30 Texas Administrative Code, Chapter 290 and Chapter 291. I have enclosed a pamphlet explaining how to obtain copies of TCEQ rules.