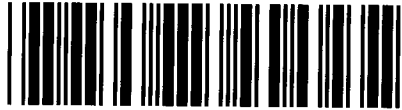


Control Number: 43928



Item Number: 2

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

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION
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AN ORDER setting retail rates for water
provided by Hill Country N.W. Water
Supply, Inc.; Docket No. 30210-R

On July 13, 1994, the Texas Natural Resource Conservation Commission (Commission) considered the water rates charged by Hill Country N.W. Water Supply, Inc. (the Utility) for its service area located in Travis County, Texas. The matter was presented to the Commission by Jim Bateman, Attorney, a Commission Hearings Examiner, who conducted a preliminary public hearing on this matter on April 14, 1994, pursuant to Chapter 13 of the Texas Water Code.

The Hearings Examiner designated the following as parties to the proceedings: the Applicant, Hill Country N.W. Water Supply, Inc.; the Executive Director of the Commission; the Public Interest Counsel of the Commission; the following individual protestants: David Lafary, Nancy Velasquez, and Scott E. Malone; and numerous ratepayers who were represented by Darla Tyler Bryce and D. W. Patton.

After considering the Hearing Examiner's Memorandum and the agreement of the parties, the Texas Natural Resource Conservation Commission makes the following Findings of Fact and Conclusions of Law:

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FINDINGS OF FACT

1. On September 29, 1993, Hill Country N.W. Water Supply, Inc. filed a statement of change in water rates with the Texas Natural Resource Conservation Commission effective November 1, 1993, for its service area located in Travis County, Texas.
2. Within 60 days of the effective date of the rate increase, at least ten percent of the Utility's customers had filed protests to the rate increase.
3. Proper notice of the hearing to consider the rate change was given pursuant to Section 13.187 of the Texas Water Code, 31 TAC §291.28, and Section 2001.051 of the Administrative Procedure Act, TEX. GOV'T CODE ANN. §2001.001, *et seq.*
 - a. The Chief Clerk of the Commission mailed notice of the hearing on December 16, 1993 to the Utility with instructions to reproduce and mail the notice to all customers.
 - b. On December 30, 1993, the Utility mailed notice of the hearing on the proposed rate change to all customers or customer representatives.
4. Preliminary public hearings were held on January 18, February 17 and April 28, 1994 in Austin, Texas.
5. The parties settled all issues and submitted to the Examiner a Rate Case Settlement Form which sets forth the agreed rates.
6. The following agreed rate structure to be instituted by Hill Country N.W. Water Supply, Inc. is just and reasonable:

Monthly Minimum Bill

Meter Size

All Connections	\$21.00, including 3,000 gallons
-----------------	----------------------------------

Gallongage Charge

\$ 1.75/1,000 gallons for all gallonage in excess of 3,000 gallons

Fees

Tap fee	\$750.00
Connect, reconnect, and transfer fee	\$ 25.00
Late Charge	\$ 2.00 or 5% per 31 TAC \$291.86
Returned check charge	\$ 10.00
Customer deposit	\$ 50.00
Other customer deposits	per 31 TAC \$291.84
Meter testing charge	\$ 25.00

All other rates and fees will remain the same as they were prior to the filing of the rate change application. A copy of the new Rate Schedule from the Tariff is attached to this Order for reference.

7. The effective date of the agreed rates is February 1, 1994.
8. The agreed rates are applicable to all water service rendered on or after February 1, 1994.
9. No refunds are required to be made by Hill Country N.W. Water Supply, Inc.
10. Hill Country N.W. Water Supply, Inc. agreed to make the following system improvements:
 - a. Plug the abandoned water well on Cherry Hollow Crossing per §§287.41-287.50, or obtain a waiver.

- b. Lower the overflow on the standpipes so that they are accessible from ground level, per §290.43(c)(3).
 - c. Get the north well (No. 6) on line and attempt blending. If mixing with the water from the north well does not reduce the amount of fluoride in the water to 2.0 milligrams per liter, the utility will investigate other methods of reducing fluoride, with the approval of the customers to perform the investigation.
 - d. Provide a report on the results of blending to the Executive Director within three months of the initiation of blending.
 - e. When replacing or laying new waterline, the Utility will use Schedule 40 or better quality of waterline.
11. The rates set forth in Finding of Fact No. 6 above are not unreasonably preferential, prejudicial, or discriminatory, and are just, reasonable, sufficient, equitable and consistent in application to each class of customer.
12. The rates set forth in Finding of Fact No. 6 will permit Hill Country N.W. Water Supply, Inc. to recover its reasonable and necessary operating expenses and to have a reasonable opportunity to earn a reasonable return on its invested capital used and useful in rendering service to the public.

CONCLUSIONS OF LAW

1. Hill Country N.W. Water Supply, Inc. is a public utility under Section 13.002(23) of the Texas Water Code.

2. The Commission has jurisdiction over rates within the service area of the Utility, which is outside the corporate limits of any municipality.
3. The statement of intent to change retail water rates given by the Utility complies with the notice requirements of Section 13.187 of the Texas Water Code, and 31 TAC §291.28, and is effective to place affected persons on notice regarding the proposed rate increase.
4. The public hearing concerning this rate change was held under the authority of and in accordance with Chapter 13 of the Texas Water Code, and the applicable provisions of the Texas Natural Resource Conservation Commission Permanent Rules.
5. The rates set forth in Finding of Fact No. 6 are not unreasonably preferential, prejudicial, or discriminatory, and are just, reasonable, sufficient, equitable and consistent in application to each class of customer as required by Section 13.182 of the Texas Water Code.

WHEREAS, Chairman John Hall and Commissioners Pam Reed and Peggy Garner vote unanimously to issue this Order;


NOW, THEREFORE, BE IT ORDERED BY THE TEXAS NATURAL RESOURCE CONSERVATION COMMISSION THAT:

1. The Rate Schedule be approved as set forth in Finding of Fact No. 6.
2. The tariff on file in the Water Utilities Division of the Commission, reflecting the rates approved by the Commission in this Order, be approved.

3. Hill Country N.W. Water Supply, Inc. shall fully comply with all terms of the settlement agreement and shall complete all of the agreed system improvements as set forth in Finding of Fact No. 10.
4. Hill Country N.W. Water Supply, Inc. shall notify its customers, by mail, of the final rate structure within 30 days of the date of this Order.
5. The Chief Clerk of the Texas Natural Resource Conservation Commission shall forward a copy of this Order to all parties.
6. 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: **JUL 22 1994**

TEXAS NATURAL RESOURCE
CONSERVATION COMMISSION


John Hall, Chairman

ATTEST:


Gloria A. Vasquez, Chief Clerk

SECTION 1.0 - RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonge Charge</u>
5/8" or 3/4"	\$ <u>21.00</u> (INCLUDING <u>3000</u> GALLONS)	\$ <u>1.75</u> per 1000 gallons same for all meter sizes

REGULATORY ASSESSMENT 1.0%
A REGULATORY ASSESSMENT, EQUAL TO ONE PERCENT OF THE CHARGE FOR RETAIL
WATER SERVICE ONLY, SHALL BE COLLECTED FROM EACH RETAIL CUSTOMER.

Section 1.02 - Miscellaneous Fees

TAP FEE \$ 750.00
THE TAP FEE IS BASED ON THE AVERAGE OF THE UTILITY'S ACTUAL COST FOR MATERIALS
AND LABOR FOR STANDARD RESIDENTIAL CONNECTION OF 5/8" or 3/4" METER.

RECONNECTION FEE
THE RECONNECT FEE WILL BE CHARGED BEFORE SERVICE CAN BE RESTORED
TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS:

- a) Non payment of bill (Maximum \$25.00) \$ 25.00
 - b) Customer's request \$ 25.00
- OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF

TRANSFER FEE \$ 25.00
THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT
THE SAME SERVICE LOCATION WHERE THE SERVICE IS NOT DISCONNECTED.

LATE CHARGE \$ 2.00 OR 5%
A ONE TIME PENALTY MAY BE MADE ON DELINQUENT BILLS BUT MAY NOT BE APPLIED
TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE \$ 10.00

CUSTOMER DEPOSIT (Maximum \$50) \$ 50.00

METER TEST FEE (actual cost of testing the meter up to) . \$ 25.00
THIS FEE 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.

RATES LISTED ARE EFFECTIVE ONLY IF
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