

AQUA TEXAS, INC. RATE INCREASE REQUEST (2012)

A RESOLUTION

OF THE BOARD OF ALDERMEN OF BRAZOS BEND, TEXAS ("CITY") AUTHORIZING A SUSPENSION OF THE EFFECTIVE DATE OF THE AQUA TEXAS' RATE INCREASE AND THE CITY TO CONTEST SUCH RATE INCREASE BEFORE THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY; AUTHORIZING PROVISION OF RATE CONSULTANTS, EXPERTS AND LEGAL REPRESENTATION; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING SUCH OTHER FINDINGS AS ARE RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the Board of Aldermen of the City of Brazos Bend is the "regulatory authority," as defined by and used in Texas Water Code, chapter 13, relating to the regulation of public utilities providing retail water or retail sewer service within the corporate limits of the City of Brazos Bend; and

WHEREAS, by notice dated December 22, 2011, Aqua Texas, Inc., Aqua Utilities and/or Aqua Development, Inc. ("Aqua Texas") filed a statement of intent to change rates and an application to change rates for its retail water ratepayers located within all of the City of Brazos Bend; and

WHEREAS, based upon such notice, it is anticipated that on or about February 21, 2012 Aqua Texas proposes to increase its water rates; and

WHEREAS, Aqua Texas' requested rate will result in a major increase in rates for Brazos Bend, Texas, including increases in rates for residential customers, small commercial customers and other classes of customers; and

WHEREAS, Aqua Texas' application to increase rates will be comprised of a voluminous amount of pages, including testimony, schedules and work papers; and

WHEREAS, due to the complexity of Aqua Texas' rate filing it is not possible to review the requested increase in rates unless the effective date is suspended for ninety days as permitted by law; and

WHEREAS, the proposed rate increase requires the specialized expertise of lawyers and other experts who have experience analyzing utility rate requests;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF BRAZOS BEND, TEXAS THAT;

Section 1. The findings set out in the preamble to this resolution are in all things approved and adopted.

Section 2. The City of Brazos Bend ("City") does hereby suspend the proposed effective date for Aqua Texas' request for an increase in rates, for a period of 90 days from the date proposed by Aqua Texas in its application

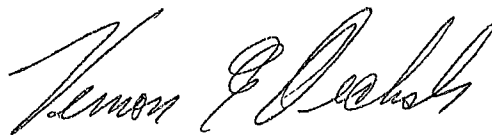
Section 3. The City is hereby empowered to employ a law firm and rate consultants or other experts to represent and act in the best interests of the City in the Aqua Texas rate case, and any other related proceeding before the Texas Commission on Environmental Quality or in the courts. Such law firm shall be fully empowered to act on behalf of the City with respect to such proceedings. Should a coalition of cities be formed to participate in the rate case, the City of Brazos Bend shall be authorized to join such coalition.

Section 4. Aqua Texas shall reimburse the City for reasonable rate case expenses and in a timely manner.

Section 5. The meeting at which this resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

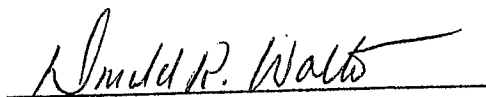
Section 6. This resolution shall become effective from and after its passage.

PASSED AND APPROVED this 26th day of January, 2012.



Vernon E. Oechsle, Mayor

ATTEST:



Donald R. Walton, Secretary

AQUA TEXAS, INC. RATE INCREASE DENIAL - 2012

A RESOLUTION

OF THE BOARD OF ALDERMEN OF BRAZOS BEND, TEXAS ("CITY") DENYING THE AQUA TEXAS, INC.'S STATEMENT OF INTENT TO CHANGE THE WATER RATES IN THE CITY; PROVIDING AN EFFECTIVE DATE; PROVIDING FOR NOTICE HEREOF TO AQUA TEXAS, INC.; AND FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the Board of Aldermen of the City of Brazos Bend ("City") is the "regulatory authority," as defined by and used in Texas Water Code, chapter 13, relating to the regulation of public utilities providing retail water or retail sewer service within the corporate limits of the City; and

WHEREAS, by notice dated December 22, 2011, Aqua Texas, Inc., Aqua Utilities and/or Aqua Development, Inc. ("Aqua Texas") filed a Statement of Intent to change rates and an application to change rates for its retail water ratepayers located within all of the City effective on or about February 21, 2012; and

WHEREAS, the City passed a resolution on January 26, 2012 suspending the proposed effective date for Aqua Texas' request for an increase in rates, for a period of 90 days from the date proposed by Aqua Texas in its application; and

WHEREAS, the Texas Water Code provides that costs incurred by the Governing Body of the City in ratemaking activities are to be reimbursed by the regulated utility.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF BRAZOS BEND, TEXAS THAT;

Section 1. The findings set out in the preamble to this resolution are in all things approved and adopted.

Section 2. The Statement of Intent to change water rates within the City of Brazos Bend, Texas ("City") by Aqua Texas, Inc., Aqua Utilities and/or Aqua Development, Inc. ("Aqua Texas"), is hereby denied in all respects.

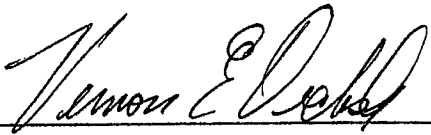
Section 3. The Secretary of the City is hereby directed to deliver a copy of this resolution, as executed, to Aqua Texas, Inc., 1106 Clayton Lane, Suite 400W, Austin, Texas 78723 and to The Terrill Firm, 810 West 10th Street, Austin, Texas 78701.

Section 4. Aqua Texas shall reimburse the City for reasonable rate case expenses and in a timely manner.

Section 5. The meeting at which this resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

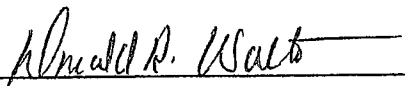
Section 6. This resolution shall become effective from and after its passage.

PASSED AND APPROVED this 17th day of May, 2012.



Vernon E. Oechsle, Mayor

ATTEST:



Donald R. Walton, Secretary

CCN/11978/
582-14-3381/50
20140714/pleadings

SOAH DOCKET NO. 582-14-3383
TCEQ DOCKET NO. 2014-0539-UCR

APPLICATION OF SWWC, INC. D/B/A § BEFORE THE STATE OFFICE
HORNSBY BEND UTILITY COMPANY §
FOR WATER RATE/TARIFF §
CHANGES FOR CERTIFICATE OF §
CONVENIENCE AND NECESSITY §
(CCN) NO. 11978, AND SEWER § OF
RATE/TARIFF CHANGES IN CCN §
NO. 20650, IN TRAVIS COUNTY, §
TEXAS; APPLICATION NOS. 37716-R §
AND 37717-R § ADMINISTRATIVE HEARINGS

ORDER NO. 2
GRANTING MOTION TO DISMISS AND REMAND

By motion filed July 9, 2014, SWWC Utilities, Inc. d/b/a Hornsby Bend Utility Company (SWWC) asks that this case be dismissed from the docket of the State Office of Administrative Hearing (SOAH) and remanded to the ED.

The motion is granted. This case is dismissed from SOAH's docket and remanded to the ED without prejudice to refileing.

SIGNED July 14, 2014.



HUNTER BURKHALTER
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS

RECEIVED

AUG 06 2014

TCEQ
CENTRAL FILE ROOM

STATE OFFICE OF ADMINISTRATIVE HEARINGS

AUSTIN OFFICE
300 West 15th Street Suite 502
Austin, Texas 78701
Phone: (512) 475-4993
Fax: (512) 322-2061

SERVICE LIST

AGENCY: Environmental Quality, Texas Commission on (TCEQ)
STYLE/CASE: SWWC UTILITIES, INC. dba HORNSBY BEND UTILITY COMPANY
SOAH DOCKET NUMBER: 582-14-3383
REFERRING AGENCY CASE: 2014-0539-UCR

**STATE OFFICE OF ADMINISTRATIVE
HEARINGS**

ADMINISTRATIVE LAW JUDGE
ALJ HUNTER BURKHALTER

REPRESENTATIVE / ADDRESS

PARTIES

MARK ZEPPA
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AUSTIN, TX 78759-8436
(512) 346-4011 (PH)
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markzeppa@austin rr.com

SWWC UTILITIES, INC. D/B/A WATER SERVICES INC

SWWC UTILITIES, INC. D/B/A HORNSBY BEND UTILITY
CO.

DAVID O FREDERICK
LOWERRE, FREDERICK, PERALES, ALLMON &
ROCKWELL
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(512) 482-9346 (FAX)
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AUSTIN COLONY HOA

KATHLEEN HUFF

CHRISTIAAN SIANO
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TCEQ EXECUTIVE DIRECTOR

ELI MARTINEZ
PUBLIC INTEREST COUNSEL
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
12100 PARK 35 CIRCLE, MC-103, BUILDING F
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CUSTOMERS IN UNINCORPORATED AREAS OF
WATER SERVICES CCN 11106

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MELIA O'DELL

LAURIE BARKER
DIRECTOR OF LITIGATION & GENERAL COUNSEL
OFFICE OF PUBLIC UTILITY COUNSEL
P.O. BOX 12397
AUSTIN, TX 78711-2397
(512) 936-7500 (PH)
(512) 936-7525 (FAX)
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OFFICE OF PUBLIC UTILITY COUNSEL

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816 CONGRESS AVENUE, SUITE 1900
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(512) 472-0532 (FAX)
ltownsend@lglawfirm.com

SWWC UTILITIES, INC. D/B/A WATER SERVICES INC

SWWC UTILITIES, INC. D/B/A HORNSBY BEND UTILITY
CO.

ROBERT DOGGETT
ATTORNEY AT LAW
4290 N. IH-35
AUSTIN, TX 78751
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JORGE MARTINEZ

CARMEN BESA

VERA MASSARO
7940 SHOAL CREEK BLVD., STE. 201
AUSTIN, TX 78757
(512) 371-8937 (PH)
vmassaro@qualico.com

PACESETTER HOMES, LLC

AC RIVERCREEK HOA

SOAH DOCKET NO. 582-14-3383
TCEQ DOCKET NO. 2014-0539-UCR

APPLICATION OF SWWC UTILITIES, § BEFORE THE STATE OFFICE
INC. D/B/A HORNSBY BEND UTILITY § OF
COMPANY TO CHANGE §
RATES/TARIFFS § ADMINISTRATIVE HEARINGS

SWWC UTILITIES, INC.'S MOTION TO REMAND

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE:

SWWC Utilities, Inc. d/b/a Hornsby Bend Utility Company ("SWWC Utilities") files this motion to remand the rate change application to the Texas Commission on Environmental Quality ("TCEQ") Executive Director for an order approving the settlement agreement reached in this case.

As of July 3, 2014, all parties in this proceeding have entered into a settlement agreement disposing of all issues in this proceeding. The signed Settlement Agreements for water and wastewater are included as Attachments A and B to this motion. Accordingly, SWWC Utilities asks that this proceeding be remanded to the Executive Director for an order to be issued approving the terms of the Settlement Agreement.

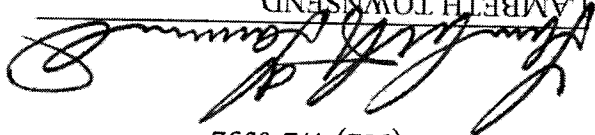
WHEREFORE, PREMISES CONSIDERED, SWWC Utilities respectfully requests that the Administrative Law Judge remand this proceeding to the Executive Director to issue an order consistent with the Settlement Agreement. Additionally, Monarch requests any other relief to which it is justly entitled.

ATTORNEYS FOR SWWC UTILITIES, INC.

MARK ZEPPA
Law Office of Mark H. Zeppa, PC
4833 Spicewood Springs Road, Suite 202
Austin, Texas 78759
State Bar No. 22260100

MELISSA A. LONG
State Bar No. 24063949

LAMBETH TOWNSEND
State Bar No. 20167500



Respectfully submitted,
LLOYD, GOSSELINK,
ROCHELLE & TOWNSEND, P.C.
816 Congress Avenue, Suite 1900
Austin, Texas 78701
Telephone: (512) 322-5830
Facsimile: (512) 472-0532

CERTIFICATE OF SERVICE

I, Lambeth Townsend, hereby certify that on this 9th day of July, 2014, a true and correct copy of the foregoing document was transmitted as follows:

Eli Martinez
TCEQ
Office of Public Interest Counsel
P. O. Box 13087, MC-107
Austin, Texas 78711-3087
Via facsimile

Christiaan Siano
TCEQ Staff Attorney
Environmental Law Division
P. O. Box 13087 MC-173
Austin, Texas 78711-3087
Via facsimile

Ross Henderson
Office of Public Utility Counsel
1701 North Congress Avenue, Suite 9-180
P. O. Box 12397
Austin, Texas 78711-2397
Via facsimile

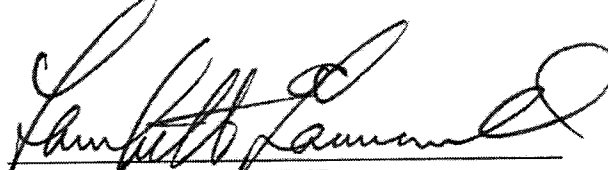
David O. Frederick
Lowerre, Frederick, Perales,
Allmon & Rockwell
707 Rio Grande, Suite 200
Austin, Texas 78701
Via facsimile

Robert Doggett
4290 North IH-35
Austin, Texas 78751
Via facsimile

Vera Massaro
7940 Shoal Creek Boulevard, Suite 201
Austin, Texas 78757
Via regular, first class mail

Charles Costanza
9707 Boerne Haze
Boerne, Texas 78006
Via facsimile

Melia O'Dell
3704 Denchloe CV
Austin, Texas 78725
Via regular, first class mail


LAMBETH TOWNSEND

CASE SETTLEMENT RECORD (cont'd)

SEASONAL RECONNECTION:

See attachment 1

PASS THROUGH RATE ADJUSTMENT CLAUSE:

REASON FOR CLAUSE: see attachment 1

COMPUTATION FOR ADJUSTMENT:

MINIMUM BILL =
GALLONAGE CHARGE =

SURCHARGE:

AMOUNT - \$ N/A PER CONNECTION PER MONTH FOR MONTHS

TERMS:

- SURCHARGE CONSIDERED CUSTOMER CONTRIBUTIONS IN AID OF CONSTRUCTION.
FUNDS DEDICATED TO SPECIFIC IMPROVEMENTS LISTED BELOW.
FUNDS PLACED IN SPECIAL SURCHARGE ACCOUNT.
UTILITY MUST ISSUE A MONTHLY STATEMENT OF ACCOUNT.
COMMISSION APPROVAL (IN WRITING) REQUIRED FOR DISBURSEMENT.

QUALITY OF SERVICE:

REQUIRED IMPROVEMENT

DATE DUE

VIOLATION TO BE CORRECTED:

(CCN PROBLEMS, TCEQ RULES OR ORDERS)

CASE SETTLEMENT RECORD (cont'd)

REFUNDS: YES NO (NO)
 LUMP SUM - DUE: _____
 BILLS CREDITED - \$ _____ PER CONNECTION EACH MONTH FOR _____ MONTHS
 AMOUNT: _____
 (ATTACH COMPUTATIONS IF NECESSARY)

PARTIES:

TCEQ Exec. Director: _____

Public Interest Council: _____

Utility: _____

Protestants: _____

OFFICE OF PUBLIC UTILITY COUNSEL: *Journi Banker*
 Melia O. Bell - *Melinda O'Donnell*

Special Attorneys for Admin's Counsel HOA for
Arnel Kishbeen HICK, LLC
AC RIVERBROOK HOA, INC. & PACESSETTER HOMES, LLC
By: Journi Banker - w/ permission

ATTACHMENTS:

PREVIOUSLY APPROVED TARIFF. _____

RELATED SCHEDULES OR COMPUTATIONS. _____

BLANK TARIFF OR RATE SCHEDULE PAGE. _____

QUALITY OF SERVICE COMPLIANCE SCHEDULE. _____

CUSTOMER SETTLEMENT AGREEMENT

(Additional pages attached)

CASE SETTLEMENT RECORD (cont'd)

REFUNDS: YES NO
LUMP SUM -- DUE: _____ AMOUNT: _____
BILLS CREDITED -- \$ _____ PER CONNECTION EACH MONTH FOR _____ MONTHS
(ATTACH COMPUTATIONS IF NECESSARY)

PARTIES:

TCEQ Exec. Director: _____

Public Interest Council: _____

Utility: _____

Protestants: _____

OFFICE OF PUBLIC UTILITY COUNSEL: _____

Melina O'Dell - Melina O'Dell

_____ for Austin's Custom HOA, Inc. and Kathleen Huff

AC RIVERGREEK HOA, INC. & PACESETTER HOMES, LLC

By: Jaimie Barber w/ permission

Carmen V. Bera

(Additional pages attached)

ATTACHMENTS:

- PREVIOUSLY APPROVED TARIFF.
- RELATED SCHEDULES OR COMPUTATIONS.
- BLANK TARIFF OR RATE SCHEDULE PAGE.
- QUALITY OF SERVICE COMPLIANCE SCHEDULE.
- CUSTOMER SETTLEMENT AGREEMENT

CASE SETTLEMENT RECORD (cont'd)

REFUNDS: YES

(NO)

LUMP SUM -- DUB:

BILLS CREDITED -- \$

(ATTACH COMPUTATIONS IF NECESSARY)

AMOUNT: PER CONNECTION EACH MONTH FOR MONTHS

PARTIES:

TCEQ Exec. Director:

Public Interest Council:

Utility:

Protestants:

OFFICE OF PUBLIC UTILITY COUNSEL: *James Barber*

Melia O. Bell - *Melia O. Bell*

James Barber for *Asst. Dir. of Energy HOF, Inc.*
David Kottler for *Asst. Dir. of Energy HOF, Inc.*
AC RIVER GREEK HOA, INC. & PACESBETTER HOMES, LLC
By: James Barber - w/ permission

(Additional pages attached)

ATTACHMENTS:

PREVIOUSLY APPROVED TARIFF

RELATED SCHEDULES OR COMPUTATIONS

BLANK TARIFF OR RATE SCHEDULE PAGE

QUALITY OF SERVICE COMPLIANCE SCHEDULE

CUSTOMER SETTLEMENT AGREEMENT

Attachment 1

Notice of proposed water/sewer rate change (cont'd)

ALL AFFECTED SYSTEMS SUBJECT TO TCEQ OR CITY OF BULVERDE JURISDICTION.

HORNSBY BEND UTILITY COMPANY PROPOSED WATER RATES

Phase I - Effective January 1, 2014

Meter Size	Monthly Minimum Charge (includes 0 gallons)	Gallage Charge (per 1,000 gallons)
5/8"	\$48.00	All Gallons \$6.87
3/4"	\$67.50	
1"	\$112.50	
1 1/2"	\$225.00	
2"	\$360.00	
3"	\$675.00	
4"	\$1,125.00	
6"	\$2,250.00	
8"	\$3,600.00	
10"	\$5,175.00	
12"	\$11,250.00	

Phase II - Effective ~~January 1, 2015~~ *January 1, 2017*

Meter Size	Monthly Minimum Charge (includes 0 gallons)	Gallage Charge (per 1,000 gallons)
5/8"	\$47.03	All Gallons \$7.18
3/4"	\$70.55	
1"	\$117.58	
1 1/2"	\$235.16	
2"	\$378.24	
3"	\$705.45	
4"	\$1,175.75	
6"	\$2,351.50	
8"	\$3,762.40	
10"	\$5,408.45	
12"	\$11,757.50	

MISCELLANEOUS FEES AND CHARGES TO ALL CUSTOMERS OF SWWC UTILITIES, INC. d/b/a HORNSBY BEND UTILITY COMPANY AND WATER SERVICE PROVIDERS RECEIVING WATER SERVICE

TAP FEE (5/8" meter)	\$700.00
TAP FEE (unique costs)	Actual Cost
LARGE METER TAP FEE	Actual Cost
RECONNECTION FEE	
a) Non payment of bill	\$25.00
b) Customer's request	\$50.00
TRANSFER FEE	\$45.00
LATE CHARGE	10% of the delinquent bill
RETURNED CHECK CHARGE	\$25.00
CUSTOMER DEPOSIT - RESIDENTIAL	\$50.00
CUSTOMER DEPOSIT - NON-RESIDENTIAL	1/6 th Est. Annual Bill
METER TEST FEE	\$25.00
SEASONAL RECONNECTION FEE	
METER RELOCATION FEE	Base rate times number of months off the system not to exceed six months when leave and return within a twelve month period.
METER CONVERSION FEE	Actual cost to relocate that meter Actual cost to convert that meter

Notice of proposed water/sewer rate change (cont'd)

LINE EXTENSION AND CONSTRUCTION CHARGES: Refer to Tariff Section 2.12 Specific Utility Service Rules and Section 3.02 Specific Utility Extension Policy for terms, conditions, and charges.

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE CLAUSE: Increases in inspection fees and water testing costs imposed by state or federal law may be passed through as an adjustment to the monthly base rate charge under the terms and conditions of 30 T.A.C. 291.21(k)(2) after notice to customers and upon written approval by the TCEC.

SUPPLEMENTAL EMERGENCY SERVICE FEE: Applicable to non-residential water service customers that require supplemental service over and above their existing water service from time to time. Usage to be determined by customer. The minimum diameter for supplemental service meter shall be 2 inches.

MONTHLY SUPPLEMENTAL SERVICE RATE: \$13.43 per inch diameter of service connection meter.

PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE - ALL WATER SUPPLY SUBJECT TO FEE: Changes in fees imposed by any non-affiliated third party water supplier or underground water district having jurisdiction over the Utility shall be passed through as an adjustment to the water gallonage charge according to the following formula:

$G + B / (1 - L)$, where

G = approved gallonage charge, rounded to the nearest one cent;

L = change (per 1,000 gallons) due to purchased water/district gallonage changes; and

B = system average line loss for preceding 12 months not to exceed 0.16.

PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE - PORTION OF WATER SUPPLY SUBJECT TO FEE: Upon notice from a water supplier of either an increase or decrease in the cost of purchased water, the utility shall provide notice to customers and the Commission of its intent to implement rates imposed by any non-affiliated third party water supplier or underground water district having jurisdiction over the Utility shall be passed through as an adjustment to the water gallonage charge according to the following formula:

$AG \times (1 - L) \times 1.000$

AG = (CP/GB) x 1.000

AMB = GMB x AG

CP = CP0 = change in cost of purchased water

CP1 = CP0 = change in cost of purchased water during the most recent 12 month period at the new rate;

CP0 = cost of purchased water during the most recent 12 month period at the previous rate;

GMB = Number of gallons in the minimum bill, divided by 1,000; and

GB = Number of gallons billed to customers in excess of the amount included in the monthly minimum bill for the 12 month period used above.

TEMPORARY WATER RATE: Unless otherwise superseded by TCEC order or rule, if the Utility is ordered by a court or governmental body of competent jurisdiction to reduce its pumpage, production, or water sales, the Utility shall be authorized to increase its approved gallonage charge according to the formula:

$TCG \times (1.0 - P)$

TCG = temporary gallonage charge;

P = percentage of revenues to be recovered expressed as a decimal fraction (the pumping restriction); and

TCG = current gallonage charge;

METER TAMPERING, DAMAGE OR SERVICE DIVERSION PENALTY: To implement the Temporary Water Rate, the Utility must comply with all notice and other requirements of 30 T.A.C. 291.21(i).

One time penalty for tampering with or damaging a water meter or any appurtenance thereto including locks and meter boxes or services diversion of one hundred dollars (\$100.00).

FRANCHISE FEE PASS THROUGH CLAUSE: Charges a municipality makes for use of streets and alleys pursuant to Tax Code §182.025 or other applicable state law shall be passed through as an adjustment to the water gallonage charge according to the following formula:

$G + B$, where

AG = adjusted gallonage charge, rounded to the nearest one cent;

B = approved gallonage charge (per 1,000 gallons); and

G = projected franchise fees payable (per 1,000 gallons).

Bill Payment Assistance Programs for Low Income Ratepayers: "Help2Others (H2O)" is a program that offers bill-payment assistance to water and sewer customers whose combined household incomes fall at or below 125% of the current Federal Poverty Guidelines. With H2O, eligible water customers will receive a \$20 pledge each month toward their bill; customers receiving both water and sewer will receive a \$40 pledge. To qualify for H2O, an applicant must meet the following criteria.

Hornsby Bend

Water and Sewer

- ① ~~Drop~~ the second ^{phase} ~~rate~~ rates completely. in effect ~~from~~
January 1, 2017.
- ② Current rates locked in for five years starting July 1, 2014.
No ~~rate~~ increase ~~application~~ in rates before July 1, 2019
- ③ The next rate ^{change} application must include block rates (for usage) ^{to balance the determined rates}
proposal as well as rate increase ^{proposal} under same method as
current application.
- ④ No rate case expenses charged for this application.
- ⑤ Rate base will not be set. ~~and will remain unchanged until~~
- ⑥ ~~and~~ all tariff provisions are approved as
submitted

AND WILL REMAIN UNCHANGED UNTIL

~~January 1, 2017~~

July 1, 2019.

CASE SETTLEMENT RECORD (cont'd)

SEASONAL RECONNECTION:

_____ *see attachment* _____

PASS THROUGH RATE ADJUSTMENT CLAUSE:

REASON FOR CLAUSE: _____ *see attachment* _____

COMPUTATION FOR ADJUSTMENT:

MINIMUM BILL = _____

GALLONAGE CHARGE = _____

SURCHARGE:

AMOUNT - \$ NA PER CONNECTION PER MONTH FOR _____ MONTHS

TERMS:

- SURCHARGE CONSIDERED CUSTOMER CONTRIBUTIONS IN AID OF CONSTRUCTION.
- FUNDS DEDICATED TO SPECIFIC IMPROVEMENTS LISTED BELOW.
- FUNDS PLACED IN SPECIAL SURCHARGE ACCOUNT.
- UTILITY MUST ISSUE A MONTHLY STATEMENT OF ACCOUNT.
- COMMISSION APPROVAL (IN WRITING) REQUIRED FOR DISBURSEMENT.

QUALITY OF SERVICE:

REQUIRED IMPROVEMENT

DATE DUE

VIOLATION TO BE CORRECTED:

(CCN PROBLEMS, TCEQ RULES OR ORDERS)

CASE SETTLEMENT RECORD (cont'd)

REFUNDS:

YES

NO

LUMP SUM -- DUR:

BILLS CREDITED -- \$

AMOUNT:

(ATTACH COMPUTATIONS IF NECESSARY) PER CONNECTION EACH MONTH FOR MONTHS

PARTIES:

TCHQ Exec. Director:

Public Interest Council:

Utility:

Protestants:

Office of Public Utility Counsel: *Farmers Bank*
Melio O'Dell - *Melio O'Dell*

Director for Restoration HOA Inc.
and Kathleen Hays

A C RIVERBROOK HOA, INC & PACIFIC STATE, LLC
BY: *Farmers Bank of permission*

ATTACHMENTS:

PREVIOUSLY APPROVED TARIFF.

RELATED SCHEDULES OR COMPUTATIONS.

BLANK TARIFF OR RATE SCHEDULE PAGE.

QUALITY OF SERVICE COMPLIANCE SCHEDULE.

Special Provisions

(Additional pages attached)

CASE SETTLEMENT RECORD (cont'd)

REFUNDS: YES NO
LUMP SUM -- DUE: _____ AMOUNT: _____
BILLS CREDITED -- \$ _____ PER CONNECTION EACH MONTH FOR _____ MONTHS
(ATTACH COMPUTATIONS IF NECESSARY)

PARTIES:
TCEQ Exec. Director: _____
Public Interest Council: _____
Utility: _____

Protestants:
OFFICE OF PUBLIC UTILITY COUNSEL: Fanni Barber
Melia O'Dell - melia@odell

David [unclear] for Austin Colony HOA, Inc.
and Kathleen Huff

A C RIVERCREEK HOA, INC & PACIESSETTER, LLC
BY: Fanni Barber w/ permission

Carmen V. Basa

(Additional pages attached)

- ATTACHMENTS:
PREVIOUSLY APPROVED TARIFF.
RELATED SCHEDULES OR COMPUTATIONS.
BLANK TARIFF OR RATE SCHEDULE PAGE.
QUALITY OF SERVICE COMPLIANCE SCHEDULE.
Special Provisions

CASE SETTLEMENT RECORD (cont'd)

REFUNDS: YES

NO

LUMP SUM -- DUE:

AMOUNT:

BILLS CREDITED -- \$

PER CONNECTION EACH MONTH FOR MONTHS

(ATTACH COMPUTATIONS IF NECESSARY)

PARTIES:

TC&O Exec. Director:

[Signature]

Public Interest Council:

[Signature]

Protestants:

Office of Public Utility Counsel: *[Signature]*
Melio O'Dell - *[Signature]*

[Signature] *[Signature]*
A C RIVERS REEKS HOA, INC & ASSISTENTS, LLC
BY: *[Signature]* *[Signature]*
George R. Mathews

(Additional pages attached)

ATTACHMENTS:

PREVIOUSLY APPROVED TARIFF.

RELATED SCHEDULES OR COMPUTATIONS.

BLANK TARIFF OR RATE SCHEDULE PAGE.

QUALITY OF SERVICE COMPLIANCE SCHEDULE.

Special Provisions

Attachment

Residential sewer service will be billed year round using that service connection's average winter water consumption during December, January and February. Single family residential service connections without an historic winter average will have an imputed average of 5,000 gallons until they have established an average. Multi-family residential service connections without an historic winter average will have an imputed average of 5,000 gallons per residential unit until they have established an average.

Non-residential service connections will be billed on actual monthly water consumption without the use of winter averaging.

**THE FOLLOWING FEES AND CHARGES ARE APPLICABLE TO ALL CUSTOMERS OF SWWC UTILITIES, INC.
d/b/a HORNSBY BEND UTILITY COMPANY RECEIVING SEWER SERVICE**

MISCELLANEOUS FEES AND CHARGES-TO ALL CUSTOMERS

TAP FEE (gravity sewer, street or easement installation)	\$700.00
TAP FEE (pressure sewer, non-rock installation)	\$1,525.00
TAP FEE (pressure sewer, rock installation)	\$3,776.00
LARGE METER TAP FEE	Actual cost
ACCOUNT SET UP FEE (sewer only customers)	\$25.00
RECONNECTION FEE	\$50.00
a) Non payment of bill	
b) Customer's request	\$25.00
SEASONAL RECONNECTION FEE:	\$50.00
Base rate times number of months off the system not to exceed six months when leave and return within a twelve month period.	
TRANSFER FEE	
LATE CHARGE	\$45.00
RETURNED CHECK CHARGE	10% of the delinquent bill
CUSTOMER DEPOSIT - RESIDENTIAL	\$25.00
CUSTOMER DEPOSIT - NON-RESIDENTIAL	\$50.00
SERVICE RELOCATION FEE	1/6 th Est. Annual Bill
LINE EXTENSION AND CONSTRUCTION CHARGES:	Actual cost to relocate that connection
Refer to Section 2.12 Specific Utility Service Rules and Section 3.02 Utility Specific Extension Policy for terms, conditions, and charges.	
GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE CLAUSE:	
Increases in inspection fees and water testing costs imposed by state or federal law may be passed through as an adjustment to the monthly base rate charge under the terms and conditions of 30 T.A.C. 291.21(k)(2) after notice to customers and upon written approval by the TCEQ.	
DAMAGE OR SERVICE DIVERSION PENALTY:	
One time penalty for tampering with or damaging a sewer service connection or any appurtenance thereto including pumps or service diversion of one hundred dollars (\$100.00).	
FRANCHISE FEE PASS THROUGH CLAUSE:	
Charges a municipality makes for use of streets and alleys pursuant to Tax Code §162.023 or other applicable state law shall be passed through as an adjustment to the sewer gallonage charge according to the following formula:	
AG =	G + B, where
AG =	adjusted gallonage charge, rounded to the nearest one cent.
G =	approved gallonage charge (per 1,000 gallons) and
B =	projected franchise fees payable (per 1,000 gallons).
PURCHASED SEWER PASS THROUGH CLAUSE:	
Changes in fees imposed by any non-affiliated third party wholesale sewer service provider shall be passed through as an adjustment to the sewer gallonage charge according to the following formula:	
AG =	G + B, where
AG =	adjusted gallonage charge, rounded to the nearest one cent.
G =	approved gallonage charge (per 1,000 gallons) and
B =	change in purchased sewer service gallonage charge (per 1,000 gallons).

Bill payment assistance programs for low income Ratepayers:

"Help2Others (H2O)" is a program that offers bill-payment assistance to water and sewer customers whose combined household incomes fall at or below 125% of the current Federal Poverty Guideline. With H2O, eligible water customers will receive a \$20 pledge each month toward their bill; customers receiving both water and sewer will receive a \$40 pledge. To qualify for H2O, an applicant must meet the following criteria.

- The applicant's combined household income must be at or below 125 percent of the current Federal Poverty Guideline.
- The applicant must be current and remain current on water/sewer bill statements to receive monthly benefits.
- Customers that are not eligible for H2O or otherwise need other assistance should contact "2-1-1 Texas." This program of the Texas Health and Human Services Commission is committed to helping Texas citizens connect with the services they need by referring them to local assistance centers.

Horseshy Bend

Water and Sewer

Propose

- 1) Drop the second ~~rate~~ rates completely. in effect ~~the~~

January 1, 2017.

- 2) Current rates locked in for five years starting July 1, 2017.

~~It will be withdrawn effective~~ in rate before July 1, 2019

- 3) The next rate application must include ^{proposal} proposed rates (for usage).

Proposal as well as rate increase ~~will~~ ^{be} ~~not~~ ^{be} returned as

current application.

- 4) No rate case expenses charged for this application.

- 5) Rate base will not be set. ~~the~~

- 6) All things ~~mentioned~~ ^{mentioned} are ~~subject to~~ ^{subject to} ~~approval~~ ^{approval}

AND WILL REMAIN UNCHANGED UNTIL

~~JANUARY 1, 2017~~

July 1, 2019.

~~Prop~~

**SOAH DOCKET NO. 582-14-3383
TCEQ DOCKET NO. 2014-0539-UCR**

APPLICATION OF SWWC, INC. D/B/A § BEFORE THE STATE OFFICE
HORNSBY BEND UTILITY COMPANY §
FOR WATER RATE/TARIFF §
CHANGES FOR CERTIFICATE OF §
CONVENIENCE AND NECESSITY §
(CCN) NO. 11978, AND SEWER § OF
RATE/TARIFF CHANGES IN CCN §
NO. 20650, IN TRAVIS COUNTY, §
TEXAS; APPLICATION NOS. 37716-R §
AND 37717-R § ADMINISTRATIVE HEARINGS

**ORDER NO. 1
MEMORIALIZING PRELIMINARY HEARING**

On June 23, 2014, a preliminary hearing was held in this case. The following exhibits were offered by the Executive Director of the Texas Commission on Environmental Quality and were admitted: Exs. ED-HB-A, ED-HB-B, and ED-HB-C. There was an objection to jurisdiction. That objection was, however, subsequently withdrawn. Accordingly, the ALJ finds that jurisdiction was established.

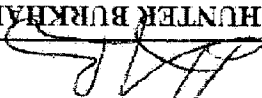
The following persons or entities appeared and were admitted as parties:

PARTIES	REPRESENTATIVES
SWWC, Inc. d/b/a Hornsby Bend Utility Company	Lambeth Townsend and Mark Zeppa
Executive Director (ED) of the Texas Commission on Environmental Quality (TCEQ)	Christian Siano
TCEQ Office of Public Interest Counsel (OPIC)	Eli Martinez
Office of Public Utility Counsel (OPUC)	Laurie Barker
Carmen Besa and Jorge Martinez	Robert Doggett
Melia O'Dell	self
Kathleen Huff and Austin Colony Homeowners Association (Austin Colony HOA)	David Fredrick
Customers in the Unincorporated Areas of Water Services CCN 11106 (Customers Group)	Charles Costanza
AC Rivercreek Homeowners Association (AC HOA) and Pacesetter Homes, LLC	Vera Massaro

SWC moved for this case to be consolidated with a related case, SOAH Docket No. 582-14-3384. Over the objection of certain customers, the ALJ announced that he would grant the motion and consolidate the two cases. Subsequent events, however, rendered consolidation unnecessary. Specifically, the parties to SOAH Docket No. 582-14-3384 agreed to settle. Accordingly, the two cases will not be consolidated.

The parties to this proceeding are directed to, by no later than July 11, 2014, confer and submit a joint status report, which includes a proposed procedural schedule and three alternate hearing dates.

SIGNED July 1, 2014.


 HUNTER BURKHALTER
 ADMINISTRATIVE LAW JUDGE
 STATE OFFICE OF ADMINISTRATIVE HEARINGS

STATE OFFICE OF ADMINISTRATIVE HEARINGS

AUSTIN OFFICE
300 West 15th Street Suite 502
Austin, Texas 78701
Phone: (512) 475-4993
Fax: (512) 322-2061

SERVICE LIST

AGENCY: Environmental Quality, Texas Commission on (TCEQ)
STYLE/CASE: SWWC UTILITIES, INC. dba HORNSBY BEND UTILITY
COMPANY
SOAH DOCKET NUMBER: 582-14-3383
REFERRING AGENCY CASE: 2014-0539-UCR

**STATE OFFICE OF ADMINISTRATIVE
HEARINGS**

ADMINISTRATIVE LAW JUDGE
ALJ HUNTER BURKHALTER

REPRESENTATIVE / ADDRESS

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SWWC UTILITIES, INC D/B/A HORNSBY BEND UTILITY
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MELIA ODELL

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WATER SERVICES CCN 11106

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TCEQ EXECUTIVE DIRECTOR

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SWWC UTILITIES, INC. D/B/A WATER SERVICES INC.

SWWC UTILITIES, INC. D/B/A HORNSBY BEND UTILITY
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vmassaro@qualico.com

PACESETTER HOMES, LLC

AC RIVERCREEK HOA



**SOAH DOCKET NO. 582-14-3383
TCEQ DOCKET NO. 2014-0539-UCR**

APPLICATION OF SWWC, INC. D/B/A § BEFORE THE STATE OFFICE
HORNSBY BEND UTILITY COMPANY §
FOR WATER RATE/TARIFF §
CHANGES FOR CERTIFICATE OF §
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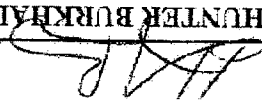
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Melia O'Dell	self
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AGENCY: Environmental Quality, Texas Commission on (TCEQ)
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HEARINGS**

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AC RIVERCREEK HOA



.

Mr. Townsend's Direct Line: (512) 322-5830
Email: ltownsend@lglawfirm.com

June 27, 2014

VIA ELECTRONIC TRANSMISSION

Honorable Hunter Burkhalter
Administrative Law Judges
State Office of Administrative Hearings
300 W. 15th Street, Room 504
Austin, Texas 78701

Re: Application of SWWC Utilities, Inc. d/b/a Hornsby Bend Utility Company (SOAH
Docket No. 582-14-3383, TCEQ Docket No. 2014-0539-UCR)

Dear Judge Burkhalter:

At the June 23, 2014 prehearing conference for this docket, you requested an update on the status of the case at the end of the week. SWWC Utilities, Inc. is still in ongoing discussions with Robert Doggett, attorney for two of the parties. SWWC Utilities, Inc. has executed a settlement agreement with all other parties. We will provide SOAH with another update on the status of the settlement negotiations next week.

Yours truly,



Lambeth Townsend
Attorney for Applicant,
SWWC Utilities, Inc.

RLT/yl

cc: All Parties of Record

3146/13/4471293



SOAH DOCKET NO. 582-14-3383
TCEQ DOCKET NO. 2014-0539-UCR

APPLICATION OF SWWC, INC., DBA § BEFORE THE STATE OFFICE
HORNSBY BEND UTILITY COMPANY §
FOR WATER RATE/TARIFF CHANGES § OF
FOR CERTIFICATE OF CONVENIENCE §
AND NECESSITY (CCN) NO. 11978, AND § ADMINISTRATIVE HEARINGS
SEWER RATE/TARIFF CHANGES IN §
CCN NO. 20650, IN TRAVIS COUNTY; §
APPLICATION NOS. 37716-R AND §
37717-R §

OFFICE OF PUBLIC UTILITY COUNSEL'S
MOTION TO INTERVENE

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE:

The Office of Public Utility Counsel (OPUC), Intervenor, files this Motion To Intervene in the captioned proceeding, pursuant to 30 Tex. Admin. Code § 80.31, and in support thereof would show:

1. Intervenor is an agency of the State of Texas, expressly authorized by law to represent the interests of residential and small commercial consumer classes in proceedings before the Public Utility Commission of Texas (PUC) under Chapter 13 of the Texas Water Code. Tex. Water Code Ann. § 13.017(b) (As added by Section 2.12 of the Act of May 13, 2013, 83rd Leg., R.S., ch. 170 (H.B. 1600)).
2. H.B. 1600, Section 2.96(g), further authorizes Intervenor, on or after September 1, 2013, to intervene in contested cases before the Texas Commission on Environmental Quality (TCEQ) that Intervenor would be entitled to intervene in if the case were before the PUC, as authorized in Texas Water Code § 13.017(b).
3. The Public Utility Counsel has determined that the residential and small commercial customer classes are in need of representation in the captioned proceeding. OPUC has



standing to intervene and participate in this proceeding as a party, as a matter of right, on behalf of the residential and small commercial customer classes, as expressly conferred by statute.

4. The authorized representative and service information for Intervenor are:

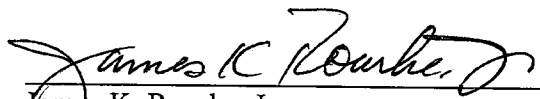
James K. Rourke, Jr.
Legal Division Director
Office of Public Utility Counsel
1701 North Congress Avenue, Suite 9-180
P.O. Box 12397, Austin, Texas 78711-2397
Telephone No.: (512) 936-7500
Facsimile No.: (512) 936-7525
E-mail Address: jim.rourke@opuc.texas.gov

THEREFORE, Intervenor respectfully requests that:

- (a) The assigned Administrative Law Judge of the State Office of Administrative Hearings grant this Motion to Intervene and thereby permit Intervenor to fully participate as a party in the captioned proceeding;
- (b) The parties take notice of the filing of this Motion to Intervene and serve Intervenor with copies of all documents filed in this docket, including responses to requests for information and other forms of discovery; and
- (c) The TCEQ and Administrative Law Judge grant Intervenor such other and further relief to which Intervenor may be justly entitled.

Respectfully submitted,

Tonya Baer
Public Counsel
State Bar No. 24026771


James K. Rourke, Jr.
Assistant Public Counsel
State Bar No. 17323700

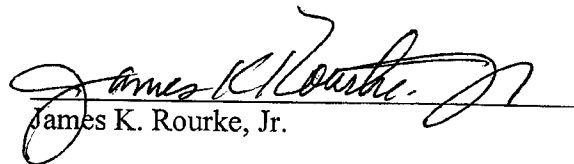


OFFICE OF PUBLIC UTILITY COUNSEL
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512/936-7500 (Telephone)
512/936-7525 (Facsimile)
jim.rourke@opuc.texas.gov

CERTIFICATE OF SERVICE

SOAH Docket No. 582-14-1051
TCEQ Docket No. 2013-2007-UCR

I certify that on June 20, 2014, I served a true copy of the foregoing Office of Public Utility Counsel's Motion to Intervene on all parties of record in the captioned proceeding via United States First-Class Mail, hand-delivery or facsimile transmission.


James K. Rourke, Jr.



**TEXAS COMMISSION
ON ENVIRONMENTAL QUALITY**

TRANSMITTAL OF ADMINISTRATIVE RECORD

DATE: June 10, 2014

TO: SOAH Natural Resources Docket Clerk

THRU: Melissa Chao, Section Manager
TCEQ Agenda / Final Documents Section

FROM: *KA* Katha Anderson, TCEQ SOAH Docket Coordinator

RE: SWWC Utilities, Inc.; Application Nos. 37716-R and 37717-R
SOAH Docket No. 582-14-3383; TCEQ Docket No. 2014-0539-UCR

Pursuant to 30 TAC § 80.6(b)(4) regarding referrals to SOAH, a copy of the Chief Clerk's case file is attached. Please find **certified** copies of the following documents:

- 1. the application;
- 2. public hearing notice and Chief Clerk's affidavit; *Please note: at this time the OCC has not received the affidavit of notice to customers of the public hearing issued on May 22, 2014. When it is received, OCC will supplement this package.*

If any of these documents are not included as enclosures with this memo, please notify Melissa Chao, Section Manager at (512) 239-5234.



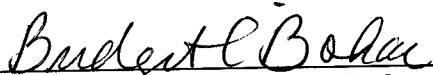
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



STATE OF TEXAS §

COUNTY OF TRAVIS §

I, Bridget C. Bohac, Chief Clerk of the Texas Commission on Environmental Quality, do hereby certify that the attached mailing list provides the persons to whom the notice of the public hearing for SWWC Utilities, Inc. dba Hornsby Bend Utility Company, SOAH Docket No. 582-14-3383, TCEQ Docket No. 2014-0539-UCR, was mailed on May 22, 2014. Given under my hand and the seal of the Texas Commission on Environmental Quality, this the 22nd day of May, 2014.



Bridget C. Bohac, Chief Clerk
Texas Commission on Environmental Quality

SEAL

