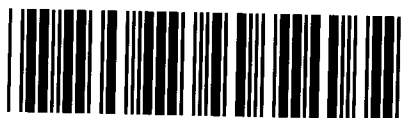




Control Number: 44236



Item Number: 76

Addendum StartPage: 0

SOAH DOCKET NO. 473-15-4944.WS  
PUC DOCKET NO. 44236

RECEIVED

2015 OCT -7 AM 9:10

APPLICATION OF  
CUSTOM WATER COMPANY, LLC  
FOR A WATER  
RATE/TARIFF CHANGE

§  
§  
§  
§  
§

BEFORE THE STATE OFFICE  
PUBLIC UTILITY COMMISSION  
FILING CLERK

OF

ADMINISTRATIVE HEARINGS

SOAH ORDER NO. 2  
GRANTING MOTION FOR INTERIM RATES AND MOTION TO INTERVENE

*Motion for Interim Rates*

On September 16, 2016, staff (Staff) for the Public Utility Commission of Texas (Commission) filed a motion for interim rates. The motion includes a memorandum from Staff that identifies several errors in Custom Water's cost of service schedules resulting in rates that are neither just nor reasonable. These rates have been charged to the customers of Custom Water since March 20, 2015. The Commission rule on interim rates at 16 Texas Administrative Code § 24.29(d) states that:

[i]nterim rates may be established by the commission in those cases under the commission's original or appellate jurisdiction where the proposed increase in rates could result in an unreasonable economic hardship on the utility's customers, unjust or unreasonable rates, or failure to set interim rates could result in an unreasonable economic hardship on the utility.

Intervenor Jerry Walker and intervenor Bill Crowe filed responses in support of Staff's motion for interim rates on September 24, 2015. Applicant Custom Water filed no response. The ALJ finds that the errors in Custom Water's rate schedules that are currently in use could result in unjust or unreasonable rates pursuant to 16 Texas Administrative Code § 24.29(d) such that interim rates are appropriate in this case. For the reasons stated in Staff's motion and the memorandum attached thereto, the ALJ **GRANTS** Staff's motion and sets interim rates for the remainder of this proceeding at those rates previously established by the Texas Commission on Environmental Quality in Docket No. 44236, which consist of a base rate of \$36.00 for a residential 5/8" or 3/4" meter size as the monthly base rate including 1,000 gallons, and \$5.00 per 1,000 gallons used over the first 1,000 gallons.

76

*Motion to Intervene*

On August 31, 2015 Mary Moses filed a motion to intervene in this matter. No party filed a response or objection to Ms. Moses's motion. Therefore, Ms. Moses's motion to intervene is **GRANTED**.

SOAH Order No. 1 includes important information on procedures, filing, service, and the Public Utility Commission Interchange. SOAH Order No. 1 is therefore attached to this order as Attachment A for the intervenor's information.

**SIGNED October 6, 2015.**



---

**HOLLY VANDROVEC**

**ADMINISTRATIVE LAW JUDGE**

**STATE OFFICE OF ADMINISTRATIVE HEARINGS**

**SOAH DOCKET NO. 473-15-4944.WS**  
**PUC DOCKET NO. 44236**

APPLICATION OF	§	BEFORE THE STATE OFFICE
	§	
CUSTOM WATER COMPANY, LLC	§	OF
FOR A WATER	§	
RATE/TARIFF CHANGE	§	ADMINISTRATIVE HEARINGS

**SOAH ORDER NO. 1**  
**MEMORIALIZING PREHEARING CONFERENCE;**  
**SETTING PROCEDURAL SCHEDULE; NOTICE OF HEARING; GRANTING**  
**MOTIONS TO INTERVENE; AND FILING AND SERVICE PROCEDURES**

A prehearing conference was held in this case on August 24, 2015. In addition to the applicant the Custom Water Company, LLC (Custom Water), the hearing was attended by the Staff (Staff) of the Public Utility Commission (Commission), and Intervenors Jerry D. Walker and Bill Crowe.

***Procedural Schedule***

At the prehearing conference, the parties agreed to the following proposed procedural schedule, which is adopted and shall apply in this case.

DATE	EVENT
August 14, 2015	Deadline for customers to receive notice of rate change
September 15, 2015	Deadline for affected customers to intervene
September 24, 2015	Custom Water files its direct case
October 6, 2015	Deadline to file written objections to Custom Water's direct testimony
October 13, 2015	Intervenors file direct testimony
October 23, 2015	Deadline to file written objections to Intervenors' direct testimony
October 23, 2015	Staff files its direct case
November 2, 2015	Deadline to file written objections to Staff's direct testimony
November 6, 2015	Rebuttal and cross-rebuttal testimony filing deadline
November 16, 2015	Deadline to file written objections to rebuttal and cross-rebuttal testimony
November 20, 2015	Discovery deadline and deadline for filing all dispositive motions <sup>1</sup>
December 2, 2015	Deadline for responses to objections and dispositive motions
<b>December 7, 2015</b>	<b>Prehearing conference at 9:00 a.m. at SOAH, in Austin, Texas<sup>2</sup></b>
<b>December 10-11, 2015</b>	<b>Hearing on the merits at SOAH, in Austin, Texas</b>

<sup>1</sup> Note that the ALJ changed this entry from the proposed schedule, which included a deadline to file objections to testimony. There are already earlier deadlines for filing objections to testimony.

<sup>2</sup> A party may file a written request to appear via telephone at the prehearing conference at least 5 business days before the date of the prehearing conference.

***Motions to Intervene***

Neither Custom Water nor Staff have objections to the motions of Bill Crowe or Jerry D. Walker to intervene in this matter. Mr. Crowe's and Mr. Walker's motions to intervene are **GRANTED**.

***Mediation***

The parties stated that they had already made informal settlement efforts and did not believe mediation would be productive.

***Notice of Hearing on the Merits and Final Prehearing Conference***

The hearing on the merits will convene at **9 a.m. on December 10-11, 2015, at the State Office of Administrative Hearings, located at 300 West 15<sup>th</sup> Street, Fourth Floor, Austin, Texas**. The parties have indicated the hearing will take two days.

The final prehearing conference will convene at **9 a.m. on December 7, 2015, at the State Office of Administrative Hearings, located at 300 West 15<sup>th</sup> Street, Fourth Floor, Austin, Texas**.

***Filing and Service Procedures***

The procedures regarding filing and service are specified in Subchapter E of the Commission's procedural rules and apply in this proceeding. The Commission's procedural rules are found at <http://www.puc.texas.gov>, under the tab "Rules & Laws" at chapter 22. Parties are expected to know those procedures and comply with them fully.

**A. Filing**

Pleadings and other filings shall be deemed filed when the proper number of legible copies is presented to the PUC filing clerk for filing. **All pleadings must contain both the SOAH and PUC docket numbers to allow for efficient processing.**

For a party who may not be familiar with the PUC processes, all PUC filings are available for viewing and downloading from the Commission's website ([www.puc.state.tx.us](http://www.puc.state.tx.us)). Once there, click at the top under "Filings." Then go to Filings Search, click on "Filings Search" and type in the control number 44236 and press "enter." A list of documents filed in this docket will appear and you may access those documents by clicking on the document number. The PUC's procedural rules are also available at the PUC website.

**B. Service**

As stated above, all documents filed in this case must be filed at the PUC. When a party files a document with the PUC, that party is required to "serve" or provide a copy of that document to every other party. Service on a party may be made by delivery of a copy of the pleading or document to the party's authorized representative or attorney of record either in person; by agent; by courier receipted delivery; by first class mail; by certified mail, return receipt requested; or by registered mail to such party's address of record, or by facsimile transmission to the recipient's current facsimile machine.

A copy of the service list in this case is attached for the parties' convenience.

Parties may wish to provide an email address for the service list. If so, they may go to SOAH's web site at <http://soah.state.tx.us> and click on "Request Service by Email." They would then be required to complete a short form. The service list will be updated as necessary.

Corrections to the service list should be directed to my legal assistant Virginia Gonzales at [virginia.gonzales@soah.texas.gov](mailto:virginia.gonzales@soah.texas.gov), who may be contacted by email or by telephone at 512-475-1272.

**C. Responses to Motions and Other Pleadings**

Unless otherwise specified, responses to any motion or other pleading shall be filed within five working days from receipt of the pleading to which the response is made. Such responsive pleadings shall state the date of receipt of the pleading to which a response is made. Failure to file a timely response will be considered acquiescence to the relief requested.

A party not familiar with the Commission's rules is encouraged to contact the Staff attorney assigned to this case, Katherine Gross, at 512-936-7277 or [katherine.gross@puc.texas.gov](mailto:katherine.gross@puc.texas.gov), if that party has any questions about the Commission's rules or procedures, including the filing of documents with the Commission.

**SIGNED August 28, 2015.**



---

**HOLLY VANDROVEC**

**ADMINISTRATIVE LAW JUDGE**

**STATE OFFICE OF ADMINISTRATIVE HEARINGS**