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

APPLICATION OF CUSTOM WATER COMPANY, LLC, FOR A RATE/TARIFF CHANGE	§ § § §	STATE OFFICE OF ADMINISTRATIVE HEARINGS
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**COMMISSION STAFF'S RESPONSE TO CUSTOM WATER'S OCTOBER 30, 2015
REQUEST TO WITHDRAW**

COMES NOW the Commission Staff of the Public Utility Commission of Texas, representing the public interest, and files this Response to Custom Water Company, LLC's (Custom Water) October 30, 2015 request to withdraw its application.

I. BACKGROUND

On January 12, 2015, Custom Water filed an application for a rate/tariff change with a proposed effective date of March 20, 2015. Under Custom Water's proposed rates, the monthly base rate including 1,000 gallons for a residential 5/8 or 3/4 pipe would increase from \$36.00 to \$54.43, and the gallonage charge would increase from \$5 to \$7 for each additional 1,000 gallons over the minimum.¹ Between March 20, 2015 and September 22, 2015, Customer Water charged its customers at these proposed rates. On October 7, 2015, State Office of Administrative Hearings (SOAH) Order No. 2 was issued setting interim rates back to Custom Water's previously approved rates.

On November 2, 2015, Customer Water filed a request to withdraw its application subject to the limitations of the Texas Water Code 13.187(p), and address refunds for overcharges, including a compliance filing with the Commission when completed. On November 16, 2015, SOAH Order No. 3 was issued requiring Staff to file a status report including suggested ordering language addressing the refund of rates paid by customers from March 20, 2015 to September 22, 2015 that are over and above the rates currently in effect under the interim rate order by November 30, 2015. Accordingly, response is timely filed.

¹ Customer Water Company's Application at 34 (Jan. 12, 2015).

II. STAFF'S RESPONSE

As noted in Custom Water's November 2, 2015 request to withdraw its application, Custom Water conferred with Staff on October 30, 2015 and Staff does not oppose Custom Water's request. Custom Water's request to withdraw however is explicitly conditioned upon refunds addressing the higher rates that were charged from March 20, 2015 to September 22, 2015. Granting the request to withdraw at this time would prematurely close the docket without formally addressing the issue of refunds. Therefore to ensure that the refunds are appropriately administered, Staff recommends that the SOAH docket be dismissed and this proceeding be remanded to the Commission for further processing.

Staff requests that the Commission Advising and Docket Management Administrative Law Judge set a December 8, 2015 deadline for Staff to file its recommendation on final disposition in the Commission docket. In that final recommendation, Staff will recommend that the Commission ALJ set the final rate back to Custom Water's previously approved rates, and that the Commission ALJ issue a final order that requires Custom Water to refund the rates paid by customers from March 20, 2015 to September 22, 2015 that are over and above the final rates within 90 days of the date of the final order. Finally, Staff will recommend that within 120 days of the final order, Custom Water shall make a compliance filing in this docket attesting to the completion of the refunds, effectively closing the docket and ensuring that the refunds are appropriately administered in a final order.

III. CONCLUSION


Staff respectfully requests that an order be issued consistent with this Response.

November 30, 2015

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director
Legal Division

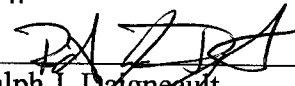
Karen S. Hubbard
Managing Attorney
Legal Division



Ralph J. Daigneault
Attorney-Legal Division
State Bar No. 24040755
(512) 936-7348 (telephone)
(512) 936-7268 (facsimile)
Public Utility Commission of Texas
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on November 30, 2015 in accordance with 16 TAC § 22.74.



Ralph J. Daigneault