

Control Number: 44844



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DOCKET NO. 44844

**APPLICATION OF SUNSET WATER,
LLC FOR A RATE/TARIFF CHANGE**

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PUBLIC UTILITY COMMISSION

2015 JUL 16 AM 10:55

OFFICE OF TEXAS
FILING CLERK

COMMISSION STAFF'S RESPONSE TO ORDER NO. 1

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Commission Staff's Response to Order No. 1, and would show the following:

I. BACKGROUND

On June 16, 2015, Sunset Water, LLC (Sunset or Applicant) filed an application (Application) with the Commission for a rate/tariff change within Moore County. Sunset requests approval of a rate change because the Applicant asserts that the water system expenses exceed revenues. Notice of rate change was provided to the affected customers by the Applicant on June 12, 2015. The noticed effective date for proposed rate change is August 15, 2015.

Order No. 1, issued June 18, 2015 allowed Staff until July 16, 2015 to file a recommendation on sufficiency. Therefore, this pleading is timely filed.

II. RECOMMENDATION ON SUFFICIENCY

As detailed in the memorandum (Attachment A) of Leila Guerrero and Jolie Mathis of the Water Utilities Division, Staff recommends that the Application be deemed sufficient for filing. The Application provided by Sunset provides adequate information for Staff to continue its review and make a recommendation on whether the Application satisfies the requirements of Tex. Water Code § 13.187 (TWC) and 16 Tex. Admin. Code § 24 Subchapter B (TAC).

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III. PROPOSED PROCEDURAL SCHEDULE

Staff proposes the following procedural schedule:

Effective date of rate change	August 15, 2015
Deadline for ratepayers or any affected parties other than Staff to file comments, intervene, or request a hearing ¹	November 13, 2015
Deadline for Staff to request a hearing or make a final recommendation on Application with a supplemental procedural schedule	November 23, 2015
Deadline for Applicant to respond to Staff's Recommendation or deadline for parties to submit a joint proposed notice of approval	December 2, 2015
Deadline for Commission to request a hearing ²	December 14, 2015

IV. CONCLUSION

Staff respectfully requests the issuance of an order consistent with the above recommendations.

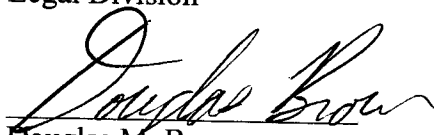
¹ Pursuant to 16 TAC § 24.28(1), if before the 91st day after the effective date of the rate change, the Commission receives a complaint from any affected municipality, or from the lesser of 1,000 or 10% of the ratepayers of the utility over whose rates the Commission has original jurisdiction, or on its own motion, the Commission shall set the matter for hearing.

² Pursuant to 16 TAC § 24.28(3), if sufficient customer complaints are not received or if Staff does not request a hearing within 120 days after the proposed effective date, the utility's proposed tariff will be reviewed for compliance with the TWC and the TAC.

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director
Legal Division

Stephen Mack
Managing Attorney
Legal Division

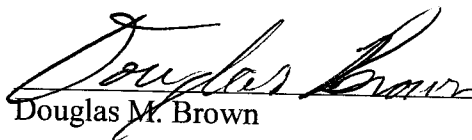


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CERTIFICATE OF SERVICE

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


Douglas M. Brown

ATTACHMENT A

Public Utility Commission of Texas

Memorandum

TO: Douglas Brown, Attorney
Legal Division

THRU: Tammy Benter, Director
Debi Loockerman, Manager, Water Rates Analysis
Water Utility Regulation

FROM: Leila Guerrero, Regulatory Accountant/Auditor
Jolie Mathis, Staff Engineer
Water Utility Regulation

DATE: July 15, 2015

SUBJECT: Docket No. 44844, Application of Sunset Water, LLC for a Rate/Tariff Change

On June 16, 2015, Sunset Water, LLC ("Applicant"), Certificate of Convenience and Necessity (CCN) No. 13224, filed a water rate/tariff change application with the Public Utility Commission of Texas (PUC) to change its water rates in Moore County, Texas. Notice of rate change was provided to the affected customers on June 12, 2015. The Applicant seeks to increase its rates effective **August 15, 2015**. This application was filed under the criteria in the Texas Water Code (TWC), Chapter 13, and the 16 Tex. Admin. Code § 24 Subchapter B.

Based upon our review of the application, Staff recommends the following:

1. The application filed for Docket No. 44844 is administratively complete and sufficient for filing; and
2. The Applicant's new rate may go into effect on August 15, 2015; and
3. The application will be scheduled for a hearing, if:
 - a. the PUC receives complaints from at least 10% of the ratepayers or an affected municipality, if any, within 90 days of the effective date of the rate increase; or,
 - b. PUC Staff protests the application on its own motion.