



Control Number: 45231



Item Number: 23

Addendum StartPage: 0

**DOCKET NO. 45231**  
**SOAH DOCKET NO. 473-16-1836.WS**

**RATEPAYERS' APPEAL OF THE** §  
**DECISION BY TROPHY CLUB** §  
**MUNICIPAL UTILITY DISTRICT** §  
**NO. 1 TO CHANGE RATES** §

**PUBLIC UTILITY COMMISSION**  
**OF TEXAS**

RECEIVED  
2016 JAN 26 AM 11:46  
PUBLIC UTILITY COMMISSION  
FILING CLERK

**TROPHY CLUB MUNICIPAL UTILITY DISTRICT NO. 1'S**  
**LIST OF ISSUES**

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE:

Trophy Club Municipal Utility District No. 1 (the "District") files this List of Issues. This list is not exhaustive, and the District reserves the right to address additional issues raised by other parties not set forth below.

**I.**  
**BACKGROUND**

On October 8, 2015, retail customers of the District filed a petition pursuant to Section 13.043(b) of the Texas Water Code entitled "MUD Petition to Appeal Rates Established by the Board of Directors" (the "Retail Petition"). The Retail Petition was referred to the State Office of Administrative Hearings on January 11, 2016, which required the District to file this List of Issues by January 26, 2016. This List of Issues is timely filed.

**II.**  
**LIST OF ISSUES**

The District agrees with the list of issues proposed by Commission Staff, but asserts that there are additional issues that must be considered in this proceeding, which are listed below:

- Did the petition filed by the ratepayers of the Town of Trophy Club Public Improvement District appealing the rate change by the District follow the requirements of Tex. Water Code Ann § 13.043 (b), (c), and (d); 16 Tex. Admin. Code § 24.41(b), (c), and (d); and 16 Tex. Admin. Code § 24.42(a) and (b)?

23

- Do the ratepayers of the Public Improvement District within the Town of Trophy Club have standing to participate in this proceeding as parties? Tex. Water Code Ann § 13.043 (b)(4) and 16 Tex. Admin. Code § 24.41(c)(4).
- Should the proceedings be delayed in order to conduct a public interest test hearing related to wholesale rates as required for appeals of wholesale rates under Tex. Water Code § 13.043(f) and set forth in 16 Tex. Admin. Code § 24.128 through § 24.138.

### **III.**

#### **LIST OF ISSUES THAT SHOULD NOT BE ADDRESSED**

The following issues should not be addressed in this appeal of the retail rates being charged by the District to its retail customers:

- Are the wholesale water and sewer rates charged by the District to the Town of Trophy Club just and reasonable?
- Are the retail rates being charged by the Town of Trophy Club to its retail customers just and reasonable?
- Is the financial reserve policy, and the amounts of financial reserves maintained by the District, just and reasonable?

### **IV**

#### **THRESHOLD LEGAL/POLICY ISSUES WHICH SHOULD BE BRIEFED FOR PRELIMINARY ORDER**

The following issue should be briefed as a threshold legal/policy issue before the issuance of the preliminary order:

- Do the retail ratepayers of a wholesale customer of the District have the right to appeal the rates being charged by the District under Tex. Water Code Ann § 13.043 (b)(4)?

**V.  
CONCLUSION**

The District requests that an Order be issued consistent with the issues set forth above.

Respectfully submitted,


By:   
John J. Carlton

John J. Carlton  
The Carlton Law Firm P.L.L.C.  
2705 Bee Cave Road, Suite 200  
Austin, Texas 78746  
(512) 614-0901  
Fax (512) 900-2855  
State Bar No. 03817600

ATTORNEYS FOR TROPHY CLUB  
MUNICIPAL UTILITY DISTRICT NO. 1

**CERTIFICATE OF SERVICE**

I hereby certify that I have served or will serve a true and correct copy of the foregoing document via hand delivery, facsimile, electronic mail, overnight mail, U.S. mail and/or Certified Mail Return Receipt Requested to all parties on this the 26th day of January, 2016.

  
John Carlton