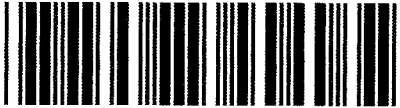


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Addendum StartPage: 0

**DOCKET NO. 45491**

RECEIVED

**APPLICATION OF RANKIN PARK  
MAINTENANCE & UTILITIES  
COMPANY FOR CLASS B  
RATE/TARIFF CHANGE**

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**2016 MAR 22 PM 4:19  
PUBLIC UTILITY COMMISSION  
PUBLIC UTILITY COMMISSION  
FILING CLERK  
OF TEXAS**

**COMMISSION STAFF'S RECOMMENDATION ON ADMINISTRATIVE  
COMPLETENESS**

COMES NOW the Staff ("Staff") of the Public Utility Commission of Texas ("Commission"), representing the public interest, and files this Recommendation on Administrative Completeness.

**I. BACKGROUND**

On January 4, 2016, Rankin Park Maintenance & Utilities Company ("Rankin") filed an application for a rate/tariff change with a proposed effective date of March 1, 2016. On February 11, 2016, Order No. 2 was entered, finding the application to be administratively incomplete.

On February 26, 2016, Rankin filed a supplement to its application, including a revised proposed notice with a revised proposed effective date of May 1, 2016.

Order No. 2 requires Staff to file a recommendation regarding administrative completeness by March 25, 2016. This pleading is timely filed.

**II. RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS**

As indicated in the attached memorandum of Andrew Novak, Water Utilities Division, Staff recommends that the application and notice be deemed administratively complete.

Staff also notes that, in Schedule III-1 of the application, cell E4, reflecting the requested cost of equity, and cell E5, reflecting the requested cost of debt, were left blank. Based on the other values provided in Schedule III-1, Staff is able to infer a requested cost of equity of approximately

12.54% and a requested cost of debt of 9%. If Rankin Park intends to request different costs of equity and debt, Staff recommends that Rankin Park provide an updated Schedule III-1 reflecting the correct values. Staff does not recommend that this issue should prevent the application from being deemed to be administratively complete.

### **III. PROPOSED PROCEDURAL SCHEDULE**

Staff proposed the following procedural schedule. Staff has conferred with Rankin, which has indicated that it does not oppose Staff's recommendation.

<b>Event</b>	<b>Date</b>
Date Notice to be Provided	March 25, 2016
Proposed effective date	May 1, 2016
Deadline for affected municipality to file a complaint and deadline for customer protests	August 1, 2016 <sup>1</sup>
Deadline for Commission Staff to request a hearing or file a recommendation on final disposition	August 14, 2016
120 <sup>th</sup> day after the effective date	August 29, 2016

### **IV. CONCLUSION**

Staff respectfully requests the entry of an order consistent with the above discussion.

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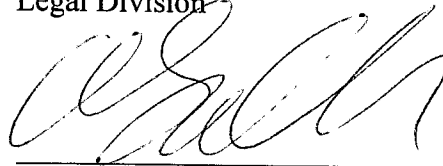
<sup>1</sup> The 90<sup>th</sup> day following the effective date is Saturday July 30, 2016. Consistent with 16 Tex. Admin. Code § 22.4, the period will conclude on the next day on which the Commission is open for business.

Date: March 22, 2016

Respectfully Submitted,

Margaret Uhlig Pemberton  
Division Director  
Legal Division

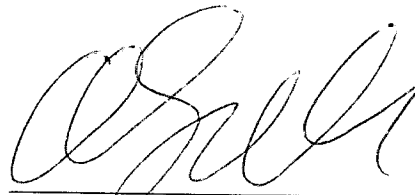
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**DOCKET NO. 45491**  
**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on March 22, 2016 in accordance with 16 TAC § 22.74.



A. J. Smullen

**Public Utility Commission of Texas**

**Memorandum**

**TO:** AJ Smullen, Attorney  
Landon Lill, Attorney  
Legal Division

**THRU:** Tammy Benter, Director  
Debi Loockerman, Rates Team Lead  
Water Utility Regulation

**FROM:** Andrew Novak, Financial Analyst  
Patricia Garcia, Staff Engineer  
Water Utility Regulation

**DATE:** March 22, 2016

**SUBJECT:** *Docket No. 45491, Application of Rankin Park Maintenance & Utilities Company for a Class B Rate/Tariff Change*

On January 4, 2016, Rankin Park Maintenance & Utilities (Rankin Park), Water Certificate of Convenience and Necessity (CCN) No. 12228 and Sewer CCN 20789, filed an application with the Public Utility Commission of Texas (Commission) for a Class B Rate/Tariff change. An administrative review of this application is now being made pursuant to Texas Water Code §§ 13.1871 (TWC) and 16 Tex. Admin. Code §§ 24.8 and 24.22 (TAC).

Rankin Park owns one (1) public water system (PWS) and the sewer system that serves the water customers. This application affects the Rankin Park PWS (ID# 1012070) and approximately 96 connections. For the affected customers, Rankin Park is seeking to increase wastewater utility rates in this application. On March 25, 2016 Rankin Park will provide a notice of rate increase effective **May 1, 2016**, with all affected customers and also file a copy of the notice with the Commission.

Staff has reviewed the application and recommends the application and notice be deemed sufficient for filing.

Staff also notes that, in Schedule III-1 of the application, cell E4, reflecting the requested cost of equity, and cell E5, reflecting the requested cost of debt, were left blank. Based on the other values provided in Schedule III-1, Staff is able to infer a requested cost of equity of approximately 12.54% and a requested cost of debt of 9%. If Rankin Park intends to request different costs of equity and debt, Staff recommends that Rankin Park provide an updated Schedule III-1 reflecting the correct values.