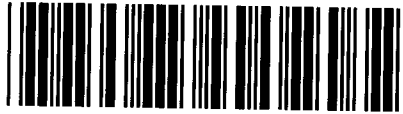




Control Number: 45570



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SOAH DOCKET NO. 473-16-2873.WS
PUC DOCKET NO. 45570

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APPLICATION OF MONARCH § BEFORE THE STATE OFFICE
UTILITIES I, L.P. TO CHANGE RATES § FILING CLERK
FOR WATER AND SEWER SERVICE § OF
§
§ ADMINISTRATIVE HEARINGS

**SOAH ORDER NO. 1
FILING DESCRIPTION; SUSPENSION OF EFFECTIVE DATE;
NOTICE OF PREHEARING CONFERENCE;
REQUIRING STAFF COMMENT ON NOTICE;
AND ADOPTION OF PROTECTIVE ORDER**

I. FILING DESCRIPTION AND JURISDICTION

On February 29, 2016, Monarch Utilities I, L.P. (Monarch) filed an application requesting authority to change its water and sewer rates. Pursuant to Texas Water Code § 13.002(4-a) and (4-b), Monarch is a Class A water utility and a Class B sewer utility. Monarch currently provides utility service to 77 water utility systems with approximately 22,762 customers in 24 counties and 11 wastewater utility systems with approximately 3,650 customers in eight counties. The majority of Monarch's customers are residential. Monarch seeks approval of an overall increase in base revenues of \$64,746,197, an increase of 6.7% in overall rates. Monarch requests rate increases in three phases: the Phase I increase in revenue is \$3,720,411, or 14.5%; Phase II increase in revenues is \$524,231, or 1.78%; and Phase III increase in revenues is \$542,527, or 1.81%. Monarch is also requesting four changes to its tariff.

The Public Utility Commission of Texas (Commission) has jurisdiction over this application pursuant to Texas Water Code ch. 13 and 16 Texas Administrative Code § 24.22. The Commission referred this case to the State Office of Administrative Hearings (SOAH) on March 3, 2016, requesting the assignment of an Administrative Law Judge (ALJ) to conduct a hearing and issue a proposal for decision (PFD), if necessary. SOAH has jurisdiction over matters relating to the conduct of the hearing in these proceedings pursuant to Texas Government Code § 2003.049.

Monarch indicates that the effective date of Phase I will be at least 35 days after required notice in compliance with Commission rules at 16 Texas Administrative Code § 24.22(c)(1). The proposed effective date of Phase I rates is hereby suspended **for 150 days** pursuant to 16 Texas Administrative Code § 24.26(a)(1).

II. NOTICE OF PREHEARING CONFERENCE

The undersigned ALJs will convene a prehearing conference at **10:00 a.m., Monday, March 28, 2016**, at the SOAH hearing facilities located at the William P Clements Office Building, 300 West 15th, Fourth Floor, Austin, Texas.¹ The following matters will be discussed:

1. Pending motions to intervene.
2. Any other motion filed by 3:00 p.m. on March 24, 2016.
3. A procedural schedule, including a date for the hearing that will enable the Commission to make a final decision by the jurisdictional deadline.
4. Any other matters that may assist in the disposition in a fair and efficient manner.

III. NOTICE

Monarch is providing notice in its application. Commission Staff shall examine Monarch's proposed notice and, **on or before March 15, 2016**, provide comment or objection about sufficiency of notice.

¹ Those attending the prehearing are advised that they must check in with building security personnel in the lobby of the William P. Clements Building and be issued visitor badges before proceeding to the hearing room. The parties should allow sufficient time for the check-in procedure.

IV. PROTECTIVE ORDER

Monarch requested adoption of a protective order, a copy of which is provided in its rate filing package. The proposed protective order is adopted and shall apply to all confidential and highly sensitive material.

V. GENERAL PROCEDURES

The Commission's procedural rules govern this proceeding. *See* 16 Texas Administrative Code ch. 22. The procedural rules may be found at the Commission's website, www.puc.texas.gov. Parties are expected to know these procedures and comply with them fully.

A. Filing

The procedures for the filing of pleadings and other documents are set out in 16 Texas Administrative Code, chapter 22, subchapter E of the Commission's procedural rules. Pleadings and other documents shall be deemed filed when the proper number of legible copies is presented to the Commission's filing clerk for filing. All pleadings must contain both the SOAH and PUC docket numbers to allow for efficient processing.

B. Service

As stated above, all documents filed in this case must be filed at the Commission. When a party files a document with the Commission, that party is required to serve or give a copy of that document to every other party. Attached to this order is a service list for the parties' convenience.

Parties may wish to provide an email address for receiving orders from the ALJs. If so, go to SOAH's website at www.soah.texas.gov and click on "Request Email Service" and complete a short form. The service list will be updated as necessary.

C. Motions and Responses to Motions and Other Pleadings

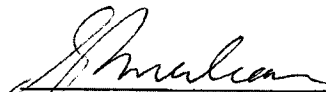
Before filing a motion or a request for relief, the party filing the motion must contact the other parties to determine if the parties agree to or oppose the motion. The motion must state the parties' positions on the requested relief.

Unless otherwise specified, responses to a motion or another pleading must 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 original pleading. Failure to file a timely response will be considered acquiescence to the relief requested.

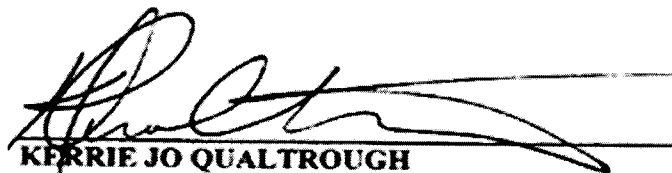
D. Discovery

Discovery may begin immediately and is governed by the Commission's procedural rules at 16 Texas Administrative Code, chapter 22, subchapter H. All discovery requests and responses shall be filed with the Commission in accordance with its procedural rules. Discovery requests and responses are not filed with SOAH.

SIGNED March 9, 2016.



LILO D. POMERLEAU
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS



KERRIE JO QUALTROUGH
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS

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AUSTIN OFFICE

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SERVICE LIST

AGENCY: Public Utility Commission of Texas (PUC)

STYLE/CASE: MONARCH UTILITIES I, LP

SOAH DOCKET NUMBER: 473-16-2873.WS

REFERRING AGENCY CASE: 45570

**STATE OFFICE OF ADMINISTRATIVE
HEARINGS**

ADMINISTRATIVE LAW JUDGE

ALJ LILO D. POMERLEAU

REPRESENTATIVE / ADDRESS

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MONARCH UTILITIES I, LP

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