



Control Number: 45570



Item Number: 328

Addendum StartPage: 0



RECEIVED

816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532

2016 SEP 21 PM 12:05

www.lglawfirm.com

Mr. Faulk's Direct Line (512) 322-5817  
Email cfaulk@lglawfirm.com

PUBLIC UTILITY COMMISSION  
FILING CLERK

September 21, 2016

Naomi Hudgins  
Filing Clerk  
Public Utility Commission  
1701 North Congress Avenue, Room 8-100  
Austin, Texas 78711

Re: PUC Docket No. 45570, SOAH Docket No. 473-16-2873.WS – *Application of Monarch Utilities I, L.P. to Change Water and Sewer Rates/Tariff, CCN Nos. 12983 and 20899*

Dear Ms. Hudgins:

In SOAH Order No. 9, in Docket No. 45570, *Application of Monarch Utilities I, L.P. ("Monarch") to Change Water and Sewer Rates/Tariff, CCN Nos. 12983 and 20899*, Monarch was granted interim rates, the Administrative Law Judges have ordered Monarch to file tariff sheets reflecting these new interim rates with the Public Utility Commission's docket clerk. Accordingly, Monarch is providing the enclosed revised tariff sheets for "Section 1.0" of its water and sewer tariffs effective October 1, 2016. Please file-stamp and return the extra copies to the courier delivering this filing. If you should have any questions please contact our office:

Yours truly,

William A. Faulk, III  
Attorney for Applicant,  
Monarch Utilities I, L.P.

Attachment

3176/18/7187523

328

**SECTION 1.0 - RATE SCHEDULE**

Section 1.01 – Rates

**Interim Rates Effective October 1, 2016\***

Meter Size	Monthly Minimum Charge (Includes 0 gallons)	Gallonage Charge
5/8"	\$49.30	\$7.47 per 1,000 gallons from 0 to 2,000 \$9.20 per 1,000 gallons 2,001 to 10,000 \$10.43 per 1,000 gallons 10,001 to 20,000 \$11.11 per 1,000 20,001 and thereafter
3/4"	\$73.95	
1"	\$123.25	
1-1/2"	\$246.49	
2"	\$394.38	
3"	\$739.47	
4"	\$1,232.44	
6"	\$2,464.89	
8"	\$3,943.82	

REGULATORY ASSESSMENT .....1.0%  
 PUC rules require the utility to collect a fee of one percent of the retail monthly bill.

FORM OF PAYMENT: THE UTILITY WILL ACCEPT THE FOLLOWING FORM(S) OF PAYMENT:

Cash X Check X, Money Order X, MasterCard X, Visa X, and Electronic Fund Transfer X

The Utility may require exact change for payments and may refuse to accept payment made using more than \$1.00 in small coins. A written receipt will be given for cash payments. At the customer's option, any billing transaction or communication may be performed on the internet. This includes the utility sending paperless bills by email.

\* These interim rates were agreed to by the parties as part of the settlement reached in Public Utility Commission Docket No. 45570; *Application of Monarch Utilities I, L.P. to Change Rates for Water and Sewer Service.*

**SECTION 1.0 - RATE SCHEDULE (Cont.)**

Section 1.02 - Miscellaneous Fees

TAP FEE ..... \$700.00

Tap fee is based on the average of the utility's actual cost for materials and labor for standard residential connection of 5/8" meter plus unique costs.

TAP FEE (unique costs permitted by PUC rule) ..... Actual Cost

For example, a road bore for customers' outside of subdivisions or residential areas.

LARGE METER TAP FEE ..... Actual Cost

TAP FEE IS BASED ON THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METERS LARGER THAN STANDARD 5/8 " METERS.

**RECONNECTION FEE**

THE RECONNECT FEE WILL BE CHARGED BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS:

- a) Non-payment of bill..... \$25.00
  - b) Customer's request ..... \$50.00
- Or other reasons listed under section 2.0 of this tariff

TRANSFER FEE..... \$45.00

The transfer fee will be charged for changing an account name at the same service location when the service is not disconnected.

LATE CHARGE..... 10% of the delinquent bill

A one-time penalty may be made on delinquent bills but may not be applied to any balance to which the penalty was applied in a previous billing.

RETURNED CHECK CHARGE..... \$25.00

CUSTOMER DEPOSIT – RESIDENTIAL..... \$50.00

CUSTOMER DEPOSIT – NON-RESIDENTIAL ..... 1/6TH EST. ANNUAL BILL

METER TEST FEE (actual cost of testing the meter up to) ..... \$25.00

This fee may be charged if a customer requests a second meter test within a two-year period and the test indicates that the meter is recording accurately.

**SECTION 1.0 - RATE SCHEDULE (Cont.)**

**SEASONAL RECONNECTION FEE**

Base rate for meter size times number of months off the system not to exceed six months when leave and return within a twelve-month period.

**METER RELOCATION FEE**..... Actual cost to relocate that meter  
This fee may be charged if a customer requests relocation of an existing meter.

**METER CONVERSION FEE** ..... Actual cost to convert that meter  
This fee may be charged if a customer requests change of size of an existing meter or change is required by material change in customer's service demand.

**LINE EXTENSION AND CONSTRUCTION CHARGES:**

Refer to Section 2.12 Specific Utility Service Rules and Section 3.02 Utility Specific Extension Policy for terms, conditions, and charges.

**GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE CLAUSE:**

Increases in inspection fees and water testing costs imposed by state or federal law may be passed through as an adjustment to the monthly base rate charge under the terms and conditions of 30 TAC 291.21(k)(2) after notice to customers and upon written approval by the PUC.

**SUPPLEMENTAL EMERGENCY SERVICE FEE**

Applicable to nonresidential water service customers that require supplemental service over and above their existing water service from time to time. Usage to be determined by customer. The minimum diameter for supplemental service meter shall be 2 inches.

**MONTHLY SUPPLEMENTAL SERVICE RATE** ..... \$14.64 per inch diameter of service connection meter

**SECTION 1.0 - RATE SCHEDULE (Cont.)**

**PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE – ALL WATER SUPPLY SUBJECT TO FEE:**

Changes in fees imposed by any non-affiliated third party water supplier or underground water district having jurisdiction over the Utility shall be passed through utility-wide as an adjustment to the water gallonage charge according to the following formula:

$$\begin{aligned}
 AG &= G + B/(1-L), \text{ where} \\
 AG &= \text{adjusted gallonage charge, rounded to the nearest one cent;} \\
 G &= \text{approved gallonage charge (per 1,000 gallons);} \\
 B &= \text{change (per 1,000 gallons) due to purchased water/district} \\
 &\quad \text{gallonage changes; and} \\
 L &= \text{system average line loss for preceding 12 months not to exceed} \\
 &\quad 0.15.
 \end{aligned}$$

**PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE – PORTION OF WATER SUPPLY SUBJECT TO FEE:**

Upon notice from a water supplier of either an increase or decrease in the cost of purchased water, the Utility shall provide notice to customers and the Commission of its intent to implement rates imposed by any non-affiliated third party water supplier or underground water district having jurisdiction over the Utility shall be passed through Utility-wide as an adjustment to the water gallonage charge according to the following formula:

$$\begin{aligned}
 \text{Adjustment to the gallonage rate} &= AG = (CP/GB) \times 1,000 \\
 \text{Adjustment to the minimum bill} &= AMB = GMB \times AG
 \end{aligned}$$

$$\begin{aligned}
 CP &= CP_1 - CP_0 = \text{change in cost of purchased water;} \\
 CP_1 &= \text{Cost of purchased water during the most recent 12 month period} \\
 &\quad \text{at the new rate;} \\
 CP_0 &= \text{Cost of purchased water during the most recent 12 month period} \\
 &\quad \text{at the previous rate;} \\
 GMB &= \text{Number of gallons in the minimum bill, divided by 1,000; and} \\
 GB &= \text{Number of gallons billed to customers in excess of the amount} \\
 &\quad \text{included in the monthly minimum bill for the 12 month period} \\
 &\quad \text{used above.}
 \end{aligned}$$

**SECTION 1.0 - RATE SCHEDULE (Cont.)**

**TEMPORARY WATER RATE:**

Unless otherwise superseded by PUC order or rule, if the Utility is ordered by a court or governmental body of competent jurisdiction to reduce its pumpage, production or water sales, the Utility shall be authorized to increase its approved gallonage charge according to the formula:

$$TGC = \frac{cgc + (pr)(cgc)(r)}{(1.0-r)}$$

Where:

- TGC = temporary gallonage charge;
- cgc = current gallonage charge;
- r = water use reduction expressed as a decimal fraction (the pumping restriction); and
- pr = percentage of revenues to be recovered expressed as a decimal fraction. For this tariff, pr shall equal 0.5.

To implement the Temporary Water Rate, the Utility must comply with all notice and other requirements of 30 TAC 291.21(l).

**METER TAMPERING, DAMAGE OR SERVICE DIVERSION PENALTY:**

One time penalty per occurrence for tampering with or damaging a water meter or any appurtenance thereto including locks and meter boxes or service diversion of one hundred dollars (\$100.00).

**FRANCHISE FEE PASS THROUGH CLAUSE:**

Charges a municipality makes for use of streets and alleys pursuant to Tax Code §182.025 or other applicable state law not to exceed 2% or the actual amount charged by the municipality shall be passed through utility-wide as an adjustment to the water gallonage charge according to the following formula:

$$AG = G + B, \text{ where,}$$

- AG = adjusted gallonage charge, rounded to the nearest one cent;
- G = approved gallonage charge (per 1,000 gallons); and
- B = projected franchise fees payable (per 1,000 gallons).

SECTION 1.0 - RATE SCHEDULE

**Section 1.01 - Rates**

**Interim Rates Effective October 1, 2016\***

METER SIZE	MONTHLY MINIMUM RATE	GALLONAGE CHARGE
5/8"	\$75.26	\$2.64 per 1,000 gallons
3/4"	\$112.90	
1"	\$188.16	
1 1/2"	\$376.31	
2"	\$602.11	
3"	\$1,128.95	
4"	\$1,881.58	
6"	\$3,763.18	
8"	\$6,020.97	

Residential sewer service will be billed year round using that service connection's average winter water consumption during December, January and February. Single family residential service connections without a historic average will have an imputed average of 5,000 gallons until they have established an average. A new single family residential customer may request a true-up based on their first actual winter average for the months that an imputed average was applied. Such request must be made within 60 days of the billing date of the customer's first bill with their actual winter average. Multi-family residential service connections without a historic winter average will have an imputed average of 5,000 gallons per residential unit until they have established an average.

Non-residential service connections will be billed on actual monthly water consumption without the use of winter averaging.

---

\* These interim rates were agreed to by the parties as part of the settlement reached in Public Utility Commission Docket No. 45570, *Application of Monarch Utilities I, L.P. to Change Rates for Water and Sewer Service.*



FORM OF PAYMENT: The utility will accept the following forms of payment:

Cash X, Check X, Money Order X, MasterCard X, Visa X, Electronic Fund Transfer X

THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS. AT THE CUSTOMER'S OPTION, ANY BILLING TRANSACTION OR COMMUNICATION MAY BE PERFORMED ON THE INTERNET. THIS INCLUDES THE UTILITY SENDING PAPERLESS BILLS BY EMAIL.

REGULATORY ASSESSMENT.....1.0%  
 PUC RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL.

**Section 1.02 – Miscellaneous Fees**

TAP FEE (Gravity sewer, street or easement installation) ..... \$700.00

TAP FEE (Pressure sewer, non-rock installation) ..... \$1,525.00  
 TAP FEE IS BASED ON THE AVERAGE OF THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR STANDARD RESIDENTIAL CONNECTION PLUS UNIQUE COSTS AS PERMITTED BY PUC RULE AT COST.

TAP FEE (Pressure sewer, rock installation) ..... \$3,776.00  
 TAP FEE IS BASED ON THE AVERAGE OF THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR STANDARD RESIDENTIAL CONNECTION PLUS UNIQUE COSTS AS PERMITTED BY PUC RULE AT COST.

TAP FEE (Large Connection Tap) ..... Actual Cost  
 TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR TAP SIZE INSTALLED.

ACCOUNT SET UP FEE ..... \$25.00  
 FEE TO SET UP ACCOUNT FOR NEW CUSTOMER APPLYING FOR SEWER SERVICE ONLY.

**RECONNECTION FEE**

THE RECONNECT FEE WILL BE CHARGED BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS:

- a) Non-payment of bill (Maximum \$25.00) ..... \$25.00
- b) Customer's request ..... \$50.00  
 or other reasons listed under section 2.0 of this tariff.

TRANSFER FEE ..... \$45.00  
 THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED.

LATE CHARGE ..... 10%  
 A ONE-TIME PENALTY MAY BE MADE ON DELINQUENT BILLS BUT MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE ..... \$25.00

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50) ..... \$50.00

COMMERCIAL AND NON-RESIDENTIAL DEPOSIT ..... 1/6TH ESTIMATED ANNUAL BILL

SERVICE RELOCATION FEE ..... Actual cost to relocate that service connection  
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS RELOCATION OF AN EXISTING  
SERVICE CONNECTION.

SEASONAL RECONNECTION FEE:  
BASE RATE TIMES NUMBER OF MONTHS OFF THE SYSTEM NOT TO EXCEED SIX  
MONTHS WHEN LEAVE AND RETURN WITHIN A TWELVE MONTH PERIOD.

LINE EXTENSION AND CONSTRUCTION CHARGES:  
REFER TO SECTION 2.12 SPECIFIC UTILITY SERVICE RULES AND SECTION 3.02 UTILITY  
SPECIFIC EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES.

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE CLAUSE:  
INCREASE IN INSPECTION FEES AND WATER TESTING COSTS IMPOSED BY STATE OR  
FEDERAL LAW MAY BE PASSED THROUGH AS AN ADJUSTMENT TO THE MONTHLY BASE  
RATE CHARGE UNDER THE TERMS AND CONDITIONS OF 30 TAC 291.21(k)(2) AFTER  
NOTICE TO CUSTOMERS AND UPON WRITTEN APPROVAL BY THE PUC.

DAMAGE OR SERVICE DIVERSION FEE ..... \$100.00  
ONE TIME PENALTY FOR TAMPERING WITH OR DAMAGING A SEWER SERVICE  
CONNECTION, OR ANY APPURTENANCE THERETO, INCLUDING PUMPS OR SERVICE  
DIVERSION.

FRANCHISE FEE PASS THROUGH CLAUSE:  
Charges a municipality makes for use of streets and alleys pursuant to tax code §182.025  
or other applicable state law not to exceed 2% or the actual amount charged by the  
municipality shall be passed through utility-wide as an adjustment to the sewer  
gallonge charge according to the following formula:

$$AG = G + B$$

Where:

- AG = adjusted gallonge charge, rounded to the nearest one cent:
- G = approved gallonge charge (per 1,000 gallons) and
- B = projected franchise fees payable (per 1,000 gallons).

PURCHASED SEWER PASS THROUGH CLAUSE:  
Changes in fees imposed by any non-affiliated third party wholesale sewer service  
provider shall be passed through utility-wide as an adjustment to the sewer gallonge  
charge according to the following formula:

$$AG = G + B$$

Where:

- AG = adjusted gallonge charge, rounded to the nearest one cent:
- G = approved gallonge charge (per 1,000 gallons) and
- B = change in purchased sewer service gallonge charge (per 1,000 gallons).