

Control Number: 45570



Item Number: 50

Addendum StartPage: 0

RECEIVED
2016 MAR 15 PM 1:30
STATE OFFICE OF
PUBLIC UTILITY COUNSEL
ADMINISTRATIVE HEARINGS

APPLICATION OF MONARCH §
UTILITIES I, LP FOR AUTHORITY TO §
CHANGE RATES §

COMMISSION STAFF'S COMMENTS ON NOTICE

Commission Staff (Staff) of the Public Utility Commission of Texas (Commission) files its Comments. In support of its Comments, Staff states the following:

I. Background

Monarch Utilities I, LP (Monarch Utilities) initiated this proceeding for Commission approval of a proposed increase in rates. In sum, Monarch Utilities requests Commission approval of an overall increase of its revenue requirement by \$4,787,169, or approximately 18.66% above its adjusted test year revenues. Monarch Utilities proposes that this increase will be done in three phases starting in April 2016 and ending in April 2018.

Monarch Utilities filed with the Commission its affidavit and subsequent errata regarding notice of its proposed rate increase. In its affidavit and subsequent errata, Monarch Utilities stated that it provided notice of its rate increase to each customer and affected party on February 29, 2016.

The Commission referred this proceeding to the State Office of Administrative Hearings. In SOAH Order No. 1, the State Office of Administrative Hearings required Staff to review Monarch Utilities' notice and provide comments by March 15, 2016.

II. Staff's Comments on Notice

The Commission's substantive rules require Monarch Utilities to provide notice of its proposed rate increase to:

1. All customers affected by the proposed rate change;
2. Each municipality affected by the proposed rate change; and
3. The Office of Public Utility Counsel.¹

¹ 16 Tex. Admin. Code § 24.22(c)(1)(A).

In providing notice, Monarch Utilities must use the Commission-approved form.² Additionally, Monarch Utilities must include in its notice “a description of the process by which a ratepayer may intervene in the proceeding.”³

Staff has reviewed Monarch Utilities’ affidavit and subsequent errata regarding notice. Staff has determined that Monarch Utilities listed incorrect existing water rates for ratepayers that use 30,000 gallons or more per month. Without the correct existing water rates for usage of 30,000 gallons or more per month, ratepayers will have difficulty in comparing all of Monarch Utilities’ existing water rates with all of Monarch Utilities’ proposed rate increases. Staff recommends that Monarch Utilities be required to send revised notice that lists the correct existing water rates for ratepayers that use 30,000 gallons or more per month.

III. Conclusion

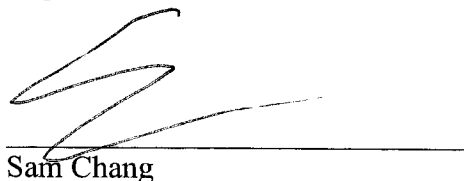
Staff recommends that Monarch Utilities’ be required to send revised notice that lists the correct existing water rates for ratepayers that use 30,000 gallons or more per month.

Date: March 15, 2016

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director
Legal Division

Stephen Mack
Managing Attorney
Legal Division



Sam Chang
State Bar No. 24078333
Attorney, Legal Division
Public Utility Commission of Texas
1701 N. Congress Avenue
Austin, Texas 78711-3326

² 16 Tex. Admin. Code § 24.22(c)(1)(B).

³ *Id.*

(512) 936-7290
(512) 936-7268 (facsimile)
sam.chang@puc.texas.gov

*Commission Staff of the Public Utility
Commission of Texas*

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

CERTIFICATE OF SERVICE

I certify that a copy of this document was served on all parties of record on March 15, 2016, in accordance with 16 Tex. Admin. Code § 22.74.



Sam Chang