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SOAH DOCKET NO. 473-16-5251.WS
PUC DOCKET NO. 46216

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PUBLIC UTILITY COMMISSION
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MONARCH UTILITIES I, L.P. § BEFORE THE STATE OFFICE
REQUEST FOR RATE CASE EXPENSES § OF
PERTAINING TO DOCKET NO. 45570 § ADMINISTRATIVE HEARINGS

NOTICE OF WITHDRAWAL OF APPLICATION

Monarch Utilities I, L.P. (Monarch), without opposition from the Staff (Staff) of the Public Utility Commission of Texas (Commission), and the Office of Public Utility Counsel (OPUC) file this Notice of Withdrawal (Notice) of Monarch's Request for Rate-Case Expenses Pertaining to Docket No. 45570 (Rate-Case Expenses Request). In support of the Notice, Monarch respectfully shows the following:

I. BACKGROUND

On February 29, 2016, Monarch filed its application to change rates for water and sewer service, which was given Commission Docket No. 45570 (Application). On March 3, 2016, the Commission referred the Application to the State Office of Administrative Hearings (SOAH). On March 10, 2016, SOAH issued Order No. 1, in Commission Docket No. 45570, suspending the effective date of the requested rates, noticing the scheduled prehearing conference, adopting a protective order, and requiring Commission Staff to comment on Monarch's notice to customers of the Application.

On July 1, 2016, in SOAH Order No. 4, in Commission Docket No. 45570, the Administrative Law Judges (ALJs) granted Monarch's request for interim rates, ordering that effective September 1, 2016, Monarch's current water and sewer rates would be set as interim rates pursuant to Texas Water Code § 13.187(l) until the Commission sets final rates.

On July 14, 2016, Monarch filed a joint motion to sever rate case expenses, along with Commission Staff and Texans Against Monopolies' Excessive Rates (TAMER). OPUC did not

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oppose the motion. The joint motion to sever rate case expenses was granted on August 1, 2016, in SOAH Order No. 1, in Commission Docket No. 46216.

On September 7, 2016, the hearing on the merits as to the Application began and continued until Friday, September 9, 2016. On September 9, 2016, before the conclusion of the hearing on the merits, all parties to the proceeding reached a unanimous settlement agreement and reported to the ALJs that the parties agreed on the terms of the settlement. On September 19, 2016, Monarch, in Commission Docket No. 45570, filed a motion for interim rates on behalf of Staff and Monarch, indicating that an agreement in principle had been reached and requesting the approval of interim rates to be effective October 1, 2016, but would relate back to September 1, 2016, pursuant to 16 Tex. Admin. Code § 24.29 (TAC). The purpose of the relate-back provision was to decrease the size of any surcharge to Monarch's customers based on the difference between Monarch's existing rates set as interim rates pursuant to SOAH Order No. 4, in Commission Docket No. 45570, and the rates that may ultimately be adopted in this proceeding as a result of the settlement. On September 21, 2016, SOAH Order No. 9, in Commission Docket No. 45570, was entered, granting the motion for interim rates.

On June 29, 2017, Monarch, Commission Staff, and OPUC (collectively, the signatories) filed an agreement, in Commission Docket No. 45570, agreeing to resolve Monarch's Application. The signatories agreed that rate-case expenses that Monarch has incurred or will incur in relation to its Application, and that are not in rates, have been subsumed within the gain-on-sale proceeds that Monarch received from its Blue Mound and Oak Point/Midway system assets. The signatories agreed that they would file a joint motion to dismiss *Monarch Utilities I, L.P. Request for Rate-Case Expenses Pertaining to Docket No. 45570*, in Docket No. 46216, in satisfaction of their agreement regarding rate-case expenses.

On June 29, 2017, the signatories filed a joint motion to admit evidence and to remand the proceeding to the Commission, in Commission Docket No. 45570, including the signed agreement, agreed proposed tariffs, and proposed final order. On June 30, 2017, SOAH issued Order No. 10, in Commission Docket No. 45570, admitting evidence, remanding the proceeding to the Commission, and dismissing the SOAH docket. On August 21, 2017, the Commission entered its Final Order, in Commission Docket No. 45570, approving the agreement and Monarch's Application. The Commission's Final Order, consistent with the agreement, ordered that any rate-case expenses that are not in rates and that were incurred or will be incurred in relation to the Application are not recoverable in future rate cases.

Monarch's Rate-Case Expenses Request has not gone to hearing, and is no longer necessary pursuant to the Commission's Final Order, in Commission Docket No. 45570.

II. WITHDRAWAL

As evidenced by the Commission's Final Order in Commission Docket No. 45570, the signatories have fully and finally resolved all issues among them in this proceeding and no hearing is necessary. Therefore, Monarch requests that this Docket be dismissed by the ALJ pursuant to 16 TAC § 22.181(g)(1), which authorizes Monarch to withdraw its Rate-Case Expenses Request without first obtaining authorization from SOAH or the Commission prior to the presentation of its direct case. Monarch, without opposition from OPUC and Commission Staff, respectfully submits this notice of withdrawal and requests that an order be issued dismissing the Rate-Case Expenses Request with prejudice.

Attached for convenience is a draft order dismissing this case.

Respectfully submitted,

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ATTORNEYS FOR MONARCH UTILITIES I, L.P

CERTIFICATE OF CONFERENCE

I certify that I conferred with counsel for the Public Utility Commission of Texas and the Office of the Public Utility Counsel on September 12th, 2017 about this Notice of Withdrawal, and they are unopposed.


WILLIAM A. FAULK, III

CERTIFICATE OF SERVICE

I hereby certify that on this 13th day of September, 2017, a true and correct copy of the foregoing document has been sent via facsimile, certified mail, return receipt requested, first class mail, or hand-delivered to all parties of record.


WILLIAM A. FAULK, III

**SOAH DOCKET NO. 473-16-5251.WS
PUC DOCKET NO. 46216**

MONARCH UTILITIES I, L.P.	§	BEFORE THE STATE OFFICE
REQUEST FOR RATE CASE	§	
EXPENSES PERTAINING TO	§	OF
DOCKET NO. 45570	§	ADMINISTRATIVE HEARINGS

**SOAH ORDER NO. 2
DISMISSING CASE WITH PREJUDICE**

On September 13, 2017, Monarch Utilities I, L.P. (Monarch), with the support of the Public Utility Commission of Texas (Commission) Staff, and the Office of Public Utility Counsel (OPUC) filed a Notice of Withdrawal of Application (Notice) of its Request for Rate-Case Expenses Pertaining to Docket No. 45570 (Rate-Case Expenses Request) under 16 Tex. Admin. Code § 22.181(g)(1). Monarch's Notice was the result of the Commission entering its Final Order in Commission Docket No. 45570, resolving Monarch's application to change rates for water and sewer service. Monarch has not presented its direct case and is entitled to withdraw its Rate-Case Expenses Request pursuant to 16 Tex. Admin. Code § 22.181(g)(1). Therefore, this case is dismissed with prejudice from the docket of the State Office of Administrative Hearings and the Public Utility Commission of Texas.

SIGNED _____, 2017

TRAVIS VICKERY
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS