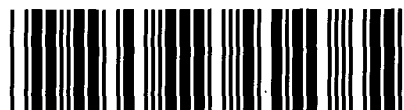




Control Number 46236



Item Number 3

Addendum StartPage 0

**TARRIF CONTROL NO. 46236**

RECEIVED

**APPLICATION OF WOODLAND OAKS §  
UTILITY COMPANY, INC. FOR A PASS- §  
THROUGH RATE CHANGE §  
§**

2016 AUG 19 PM 2:11  
**PUBLIC UTILITY COMMISSION**  
PUBLIC UTILITY COMMISSION  
FILING CLERK  
**OF TEXAS**

**COMMISSION STAFF'S SUFFICIENCY RECOMMENDATION**

Comes now the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files its Sufficiency Recommendation in response to the Notice Setting Deadline for Staff's Recommendation. In support thereof, Staff would show the following:

**I. Background**

On July 29, 2016, Woodland Oaks Utility, Inc. (Applicant), holder of Certificate of Convenience and Necessity (CCN) No. 12947, requested a pass-through rate increase due to an increase in the pumpage fee imposed on the utility by the San Jacinto River Authority (SJRA) under SJRA's ground water reduction program. Woodland Oaks Subdivision and some commercial customers in the area are listed as being affected by the pass-through rate increase. The requested effective date for the pass-through rate change is September 1, 2016.

On August 2, 2016, the Administrative Law Judge issued the Notice Setting Deadline for Staff's Recommendation, requiring Staff to file a recommendation on the application, including sufficiency of notice and a proposed procedural schedule by August 19, 2016. Therefore, this pleading is timely filed.

**II. Staff's Recommendation on Sufficiency and Notice**

Staff has reviewed the application, and as detailed by the attached memorandum of Patricia Garcia of the Water Utilities Division, Staff recommends that the application be deemed deficient for filing and administratively incomplete. The notice sent by Applicant does not satisfy the requirement of 16 Tex. Admin. Code § 24.21(h)(4)(B) (TAC). The notice sent to customers must include the following language: 'This tariff change is being implemented in accordance with the utility's approved water use fee adjustment clause to recognize increases in the water use fee. The cost of these charges to customers will not exceed the increased cost of the water use fee.'

Accordingly, Staff recommends that Applicant revise its notice and resend the revised version to customers. Applicant may submit its proposed revised notice to Staff prior to sending to its customers in order to confirm that it is sufficient and avoid incurring excess costs. Staff also recommends that the effective date of the pass-through increase be suspended until the notice deficiency is cured.

### **III. Proposed Procedural Schedule**

Due to the deficiencies in the application, Staff does not recommend a procedural schedule for the evaluation of the merits of the application at this time. Pursuant to 16 TAC § 24.8(a), applications are not considered filed with the Commission until a determination of administrative completeness is made. Therefore, the Application is not considered filed at this time.

### **IV. Conclusion**

Staff respectfully requests the ALJ issue an order deeming the application deficient and requiring Applicant to re-notice its customers using a revised notice.

Dated: August 19, 2016

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

Margaret Uhlig Pemberton  
Division Director

Katherine Lengieza Gross  
Managing Attorney



Michael Crnich  
State Bar No. 24059626  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326  
(512) 936-7255  
(512) 936-7268 (facsimile)

**DOCKET NO. 46236**

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on August 19, 2016, in accordance with 16 TAC § 22.74.



Michael Crnich

## PUC Interoffice Memorandum

---

**To:** Michael Crnich, Attorney  
Legal Division

**Thru:** Tammy Benter, Director  
Debi Loockerman, Rates Team Lead  
Water Utilities Division

**From:** Patricia Garcia, Staff Engineer  
Water Utilities Division

**Date:** August 19, 2016

**Subject:** **Tariff Control No. 46236; *Application of Woodland Oaks Utility Company, Inc. for Implementation of a Pass-Through Rate Increase***

On July 29, 2016, Woodland Oaks Utility Company, Inc. (Woodland Oaks), Certificate of Convenience and Necessity (CCN) No. 12947, filed an application to implement a pass-through rate increase for the pumpage fee imposed on the utility by the San Jacinto River Authority (SJRA) under its groundwater reduction plan (GRP), including minor line loss. Woodland Oaks Subdivision, Public Water System (PWS) No. 1700648, and some commercial customers in the area are listed as being affected by the pass through adjustment. The pass-through rate increase will become effective on September 1, 2016.

Based upon review of the information submitted, Staff finds that the application is deficient. The notice sent by Woodland Oaks does not satisfy the requirement of 16 Tex. Admin. Code § 24.21(h)(4)(B). Staff recommends that the Commission order the Applicant to:

- 1) Revise its notice to customers to include the mandatory language and resend notice.

Staff also recommends that the effective date of the pass-through increase be suspended until the deficiency is cured.