



Control Number: 46355



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PUBLIC UTILITY COMMISSION
FILING CLERK

Carroll Water Company, Inc
513 Winding Creek Trail
Red Oak, Texas 75154

September 6, 2016

Public Utility Commission
Central Records
1701 N. Congress
PO Box 13326
Austin, Texas 78711-3326

RE: Application of Carroll Water Company, Inc. (Red Oak Community) to implement a Pass-Through Rate Change for Water Certificate of Convenience and Necessity (CCN) No. 11543

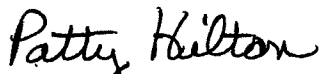
Dear Central Records:

Enclosed please find the following notice for implementing the pass through rate provision for Red Oak Community/Carroll Water Company, Inc. The pass through is to pay the fee levied by the Texas State Legislature on behalf of the Prairielands Groundwater Conservation District. The following is a list of items enclosed:

1. Notice from the Prairielands Groundwater Conservation District dated June 7, 2011, stating that the fee is \$0.20 per 1,000 gallons of water produced as of July 1, 2011 and continuing thereafter.
2. Copy of the notice mailed to all affected customers.
3. Copy of the Customer Detail from the well at Red Oak Community since we purchased the system on April 19, 2016.
4. Copy of the Payment made to Prairielands Groundwater Conservation District on behalf of Carroll Water Company and its customers for the period from April 19, 2016 until June 30, 2016.

If you have any questions concerning this pass through request, please do not hesitate to contact me at the office (972) 617-0817 or my cell (214) 476-9839.

Sincerely,



Patty Hilton

Secretary

Carroll Water Company, Inc.

Enclosures

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PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT

ELLIS, HILL, JOHNSON AND SOMERVELL COUNTIES

JOSHUA GRIMES, GENERAL MANAGER

MAIN OFFICE: 1 N. MAIN

MAILING ADDRESS: P.O. BOX 3128

CLEBURNE, TEXAS 76033

OFFICE: (817) 556-2299

June 7, 2011

Notice of Temporary Rules and Fee Rate Adoption and Early Payment Incentive Program Opportunity

Dear Water Well Owner or Operator:

This is to inform you of certain requirements of the Temporary District Rules ("Temporary Rules") and the water production fee rate of the Prairielands Groundwater Conservation District (the "District"), as well as an opportunity pursuant to those Temporary Rules to take advantage of a substantial discount in the amount of fees owed for water produced from non-exempt wells. The current fee rate has been established at 20 cents per 1,000 gallons of water produced, and begins with water pumped on July 1, 2011 and continuing thereafter.

Under the Temporary Rules, certain existing water wells or well systems with a capacity of *more than 25 gallons per minute* must be registered with the District no later than **June 30, 2011**, and *must have a meter installed on the well by July 1, 2011*. The registration requirement also applies to all new wells for which drilling commences on or after April 1, 2011. Certain domestic and livestock wells and agricultural wells are exempt from the requirements under the Temporary Rules. For more information on exempt and non-exempt wells, please see Section 2 of the Temporary Rules, a copy of which is enclosed for your reference.

The Temporary Rules also require the owner or operator of a non-exempt well to pay a water use fee based on the amount of water produced from a well or well system. What this means is, an owner of a well or well system that (1) has the capacity to produce more than 25 gallons per minute **and** (2) is used for any purpose other than solely for domestic use, livestock use, poultry use, or agricultural use, **must** pay a water use fee to the District for water produced. The current fee rate has been established at 20 cents per 1,000 gallons of water produced, and begins with water pumped on July 1, 2011. Option 1 below explains the reporting and fee payment requirements and deadlines for non-exempt well owners who choose to report usage and submit fee payments to the District on a semiannual basis. However, the District has two other fee payment and reporting options that would allow well owners to take advantage of a discount in the amount of fees owed to the District. Option 2 provides a 10% fee discount for early fee payment and Option 3 provides a 5% discount for monthly fee payments. These options are further described below. All non-exempt well owners **must** submit production reports and fee payments to the District under one of the three options listed below and in accordance with the Temporary Rules.

Option 1 – Semiannual Reporting and Fee Payment at Current District Fee Rate

Under this option, beginning July 1, 2011, a registrant of a non-exempt well must read each water meter associated with the non-exempt well and record those meter readings and the actual amount of pumpage at least monthly. The production record, along with the water use fee payment, must be submitted to the District every six-month period. The first production report and fee payment is due to the District by **March 1, 2012** (for water produced between July 1 and December 31, 2011). For your convenience, enclosed is a 2011 Water Production Report Form for you to fill out and submit to the District by March 1, 2012.

Option 2 – Early Fee Payment at 10% Discount

The **Early Fee Payment Incentive Program** allows any person required to pay a water use fee to elect to make early payments and receive a ten percent (10%) reduction in total fees due for groundwater production in a calendar year. In order to take advantage of the Early Fee Payment Incentive Program discount in 2011, a well owner or operator should estimate their water use fee payment based on their estimated groundwater production for the period of July 1 through December 31, 2011, and submit payment to the District at a 10% reduced rate no later than June 30, 2011. The registrant of a well shall read each water meter and take final meter readings for each meter associated with the well within *15 days before or after the end of the calendar year*, and shall compare the difference in the estimated amount of water for which their early payment was submitted and the actual amount of water produced during the year. Depending on whether the well owner over-estimates or under-estimates the usage, the well owner/operator will either be given a credit or refund of the excess payment, or will be required to submit payment to the District for the difference between their estimate and actual production for that calendar year. Should you choose to participate in this Program, enclosed with this letter is an Early Fee Payment Incentive Program Form for you to fill out and submit to the District, along with your pre-payment, by June 30, 2011. Also enclosed is a 2011 Water Production Report Form, which you will use to record your actual water usage. This form is due to the District by March 1, 2012.

Some important deadlines for participating in this Program are as follows:

- **June 30, 2011**: Users who wish to participate in this Program for groundwater to be produced in the second half of calendar year 2011 must submit their estimate and reduced rate pre-payment for the second half of 2011 to the District. *Non-exempt well owners* must also register and meter their well by this date.
- **15 days before or after December 31, 2011**: Users are required to take final meter readings for the year and submit those to the District by *March 1, 2012*.
- **March 1, 2012**: Those users that underestimated their groundwater production for 2011 and participated in the Early Fee Payment Incentive Program are required to submit payment for the difference between their estimated and actual groundwater production.
 - Users participating in this Program for calendar year 2012 must submit their water use estimate for calendar year 2012 along with their reduced rate pre-payment to the District.

Option 3 – Monthly Reporting and Fee Payment at 5% Discount

The **Monthly Reporting and Fee Payment Program Option** allows any person required to pay a water use fee to elect to submit monthly payments and reports to the District and receive a five percent (5%) reduction in fees due for groundwater produced each month.

In order to participate in this program, a well owner or operator must, not later than the tenth day of the month, read each water meter associated with a well and record the meter reading and the actual amount of pumpage since the previous month's meter reading. The well owner or operator must then calculate the total amount of fees owed to the District for groundwater produced since the previous month's meter reading, and must submit a monthly production record and fee payment to the District at a discounted rate of 5% off the total amount of water use fees calculated for that month. The monthly production record and fee payment must be received by the District *no later than the last day of the month following the month for which groundwater production is being reported*.

A well owner with an *existing well* who participates in the monthly reporting and payment option program for the July 1 through December 31, 2011, semiannual reporting period must take an initial meter reading on or before **July 1, 2011**, and an ending meter reading between August 1 and August 10, 2011 for purposes of calculating July 2011 monthly water production. The production report and fee payment for July 2011 monthly water production must be received by the District no later than August 31, 2011.

If the monthly payment and production record are not received by the District by the required date, the well owner will become ineligible to participate in the Monthly Reporting and Fee Payment Program for the remainder of the current semiannual reporting period and will remain ineligible until the beginning of the next semiannual reporting period. The well owner may continue to pay monthly at the full Water Use Fee rate for the remainder of the semiannual reporting period, so long as all fees and reports are submitted by the deadlines applicable to the regular reporting for the semiannual reporting period. If you choose to participate in this Program, please use the enclosed 2011 Water Production Report Form when submitting monthly production records and fee payments to the District.

Some important deadlines for participating in this Program during the July 1 through December 31, 2011, semiannual reporting period are as follows:

- **June 30, 2011:** Users who wish to participate in the *Monthly Reporting and Fee Payment Program* must have registered their well with the District and installed a meter on their well or well system by this date.
- **On or before July 1, 2011:** Users must take an initial meter reading.
- **Between August 1 and August 10, 2011:** Users must take an ending meter reading for purposes of calculating July 2011 monthly water production.
- **August 31, 2011:** Participants in this Program must submit the July 2011 monthly production report and fee payment so that it is received by the District no later than this date.

The District is committed to working with the public to ensure that the public is informed and aware of the ongoing activities of the District. The District appreciates your help in identifying non-exempt or non-compliant wells within the District. Should you have any questions about the Temporary Rules or Early Payment Incentive Programs, or to obtain a complete copy of the District's Temporary Rules, please visit the District website at www.prairielandsgcd.org or contact the District office at (817) 556-2299.

Sincerely,



Joshua Grimes
General Manager

ENCLOSURE

NOTICE OF PASS THROUGH RATE PROVISION INCREASE

Carroll Water Company, Inc.

11543

Company Name

CCN Number

is increasing the gallon rate by \$0.20 per 1,000 gallons for your subdivision. This tariff change is being implemented in accordance with the utility's approved water use fee clause to recognize an increase in the water use fee for participation in the Prairielands Groundwater Conservation District for this subdivision. The cost to customers will not exceed the increased cost of the water use fee for the groundwater conservation district program.

Red Oak Community PWS#

0700058

Subdivision/Systems Affected by Pass through Provision

75154

Zip Code Affected by Pass through Provision

513 Winding Creek Trail

Red Oak

Texas 75154

972-617-0817

Company Address

City

State Zip

Phone #

September 6, 2016

October 1, 2016

Date Customer Notice Mailed

Effective Date of the Increase

Last Week of the month

Date Meters Typically Read

Calculation of Gallonage Rate Adjustment:

Increase to existing gallonage rate= 3.50 per thousand gallons + 0.20 = \$3.70 – Per thousand gallons of water.

This increase is due to the fee charged by the Prairielands Groundwater Conservation District Created by the Texas State Legislature to manage and conserve the groundwater in Ellis, Johnson, Hill, and Sumervell Counties. You may visit the website at <http://www.prairielandsgcd.org> or contact them at PO Box 3128, Cleburne, Texas, 76033, or (817) 556-2299.

CARROLL WATER CO. INC.

Customer Detail

RED OAK WELL

Account Number

604

RED OAK WELL
105 DANA

RED OAK TX
75154 (972)617-0817
Service Address: 105 CARSON

Date Turned On 4/20/2016
Date Turned Off
Meter Check Date
Rate Code 11
Pump/Well Number 6
Last Reading 263857
Previous Reading 256635
Usage 722,200

Months On System 5
Total Usage 3,888,700
Average Usage 777,740
Sequence Number 4384
Meter Serial Number 555
Route Number 6
Last Read Date 8/25/2016
12 Month Average 777,740
Last Year Average 0
Previous Year Average 0
Last "Paid On Time" Date
Last Late Charge Date
Number Of Late Months 0
Next Due Date 9/15/2016
Year To Date Charges \$0.00

Deposit Information

Deposit Amount	\$0.00	Deposit Date	
Deposit Amount 2	\$0.00	Deposit 2 Date	
0			
Usage	Charges	Read Date	Reading
January	0 0.00		0
February	0 0.00		0
March	0 0.00		0
April	618,500 0.00	4/22/2016	231155
May	833,400 0.00	5/25/2016	239489
June	904,200 0.00	6/27/2016	248531
July	810,400 0.00	7/28/2016	256635
August	722,200 0.00	8/25/2016	263857
September	0 0.00		0
October	0 0.00		0
November	0 0.00		0
December	0 0.00		0
Last Payment	\$0.00	Check Number	0
Age 1 \$0.00	Age 2 \$0.00	Age 3 \$0.00	

Certificate Number 0
Services Current Balance

Previous Charges

Current Balance 0.00



**PRAIRIELANDS GROUNDWATER
CONSERVATION DISTRICT**
LLIS HILL JOHNSON SOMERVELL

PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT
MAIN OFFICE: 205 S. CADDO - MAILING ADDRESS: P.O. BOX 3128
CLEBURNE, TEXAS 76033
OFFICE: (817) 556-2299 - FAX: (817) 556-2305

January – June 2016 Water Production Report
For water produced between January 1 and June 30, 2016
(for use by semi-annual filers)

Instructions: Complete one form for each well, and attach a copy of the meter log for each well. Sign form and return to Prairielands Groundwater Conservation District no later than September 1, 2016.

1. Registrant: Red Oak Community / Carroll Water Co. PGCD Well ID #: 0700056

2. Number of wells: 1

3. Method used in measuring: Water Meter Multiple Water Meters Other (explain): _____
Number of well meters: 1

4. Enter meter readings below for the end of each month, July through December, as displayed on meter. (Note: If your meter dial has a constant "0" or "00" located next to the rolling numbers, these zeros **SHOULD** be read as part of your total reading.)

Last Reported Meter Reading (on ~~December 31, 2015~~ April 19, 2016) 23,115,500

	Meter Reading	Date Read		Meter Reading	Date Read
January	_____	_____	April	<u>23,336,100</u>	<u>4-29-16</u>
February	_____	_____	May	<u>24,103,100</u>	<u>5-31-16</u>
March	_____	_____	June	<u>24,902,900</u>	<u>6-29-16</u>

5. Report the amount of groundwater withdrawn for each month in **gallons** below. (Example: Meter displays 500110 on January 1. February 1, meter displays 501200. January's monthly use in gallons would be 1,090.)

	Gallons		Gallons
January	_____	April	<u>220,600</u>
February	_____	May	<u>767,000</u>
March	_____	June	<u>799,800</u>
TOTAL GALLONS FOR REPORTING PERIOD:			

6. Water used for: (check all that apply):

Public Water Supply Municipal Commercial Industrial Oil & Gas
 Other (Explain): _____

7. Was the water used at a location other than the location of the well? Yes No

If yes, location of the use of the water: customer's homes

8. Please provide an estimate of the total quantity of water lost that is attributed to system loss. Gallons or percentage of total annual production lost: 20%

Sources of system loss: leaks, flushing lines, line loss

Method(s) employed to address the system loss: monitoring lines & well meter, repair leaks

9. Was the water sold on a retail basis? Yes No On a wholesale basis? Yes No

If wholesale, name(s) to whom it was _____

Wholesale quantity sold to each _____

10. Was any of this water transported for use outside of the District (outside of Ellis, Hill, Johnson, and Somervell counties)?

Yes No

If yes, show amount transported in chart below with explanation: _____

GROUNDWATER TRANSPORTED

Gallons		Gallons	
January		April	
February	N/A	May	N/A
March		June	
TOTAL GALLONS FOR REPORTING PERIOD:			

11. Did you use any surface water? Yes No If yes, please state the amount and the purpose for which it was used _____

FEE PAYMENT

12. If you have included any water use fee payments or groundwater transport fee payments with the submission of this report, please indicate the amount of the fee payment(s).

\$ 357.48 for water use fees (Calculations for 2016 rate is: \$0.20 per 1,000 gallons. So, total production in gallons divided by 1,000, then multiplied by \$0.20).

I **certify** that this water system qualifies for the 3% water loss reduction as determined in District Rule 2.3. PH (initial here)

\$ 357.48 minus discount amount \$ 10.73 = \$ 346.75
(Payment without Discount) (3%) (Discounted Payment Due)

(Example: \$2000 x .03 = \$60 Discount, then \$2000 - \$60 = \$1940 Final Payment)

\$ 0 for groundwater transport use fee (2016 rate is \$0.10 per 1,000 gallons transported. So, total amount transported in gallons divided by 1,000, then multiplied by \$0.10).

AFFIRMATION

I AFFIRM THAT THE INFORMATION INCLUDED IN THIS REPORT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

Date: 8-31-16

Phone Number: 972-617-0817

Signature: Patty Hilton

Printed Name: Patty Hilton