



Control Number: 46438



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**SOAH DOCKET NO. 473-17-2372.WS
PUC DOCKET NO. 46438**

**APPLICATION OF J&S WATER
COMPANY, LLC FOR A
RATE/TARIFF CHANGE**

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**BEFORE THE STATE OFFICE
OF
ADMINISTRATIVE HEARINGS**

2017 OCT -5 PM 2:04
FILED

COMMISSION STAFF'S AFFIDAVITS IN SUPPORT OF THE STIPULATION

COMES NOW, the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files these Affidavits in Support of the Stipulation. In support thereof, Staff would show the following:

I. BACKGROUND

On November 23, 2016, J&S Water Company, LLC (J&S) filed an application for a Class B rate/tariff change for water and sewer service under Certificate of Convenience and Necessity Nos. 12085 and 20658.

On October 5, 2017, J&S and Staff filed an unopposed Stipulation and Proposed Order resolving all issues in this proceeding.

II. STAFF'S RECOMMENDATION

Consistent with the attached affidavits of Sean Scaff and Janie Kohl of the Commission's Water Utility Regulation Division, Staff recommends approval of the Stipulation and respectfully requests adoption of the Proposed Order and all of the associated attachments.

III. CONCLUSION

Staff respectfully requests the entry of an order consistent with the Stipulation.

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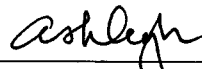
Dated: October 5, 2017

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Karen S. Hubbard
Managing Attorney



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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on October 5, 2017, in accordance with 16 Tex. Admin. Code § 22.74.



Landon J. Lill

SOAH DOCKET NO. 473-17-2372.WS
PUC DOCKET NO. 46438

Application of J&S Water Company, LLC for a Rate/Tariff Change

AFFIDAVIT OF SEAN SCAFF

THE STATE OF TEXAS

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BEFORE THE STATE OFFICE

COUNTY OF TRAVIS

OF

ADMINISTRATIVE HEARINGS

ON THIS DAY, before me, the undersigned authority, personally appeared Sean Scaff who on her oath stated as follows:

1. My name is Sean Scaff. I am employed by the Public Utility Commission (PUC) in the Water Utility Regulation Division (WURD) as an Engineering Specialist IV.
2. I am at least 21 years of age, fully competent and authorized to make the statements herein. Additionally, I have personal knowledge of the facts stated herein, and they are true and correct to the best of my knowledge.
3. On November 23, 2016, J&S Water Company, LLC (“J&S” or “Utility”) filed an application for a rate/tariff change pursuant to Tex. Water Code 13.041, 13.042(e), 13.181 – 13.185, and 13.1871 (TWC) and 16 Tex. Admin. Code § 24.22 (TAC).
4. By stipulation, J&S and the Intervenors have resolved and settled the outstanding issues related to the rates J&S may charge for water and wastewater services and enter into agreement on the rates below.
5. Beginning on the Effective Date, J&S Water, the Intervenors, and Commission Staff agree that the monthly charge for water service shall be set at the following rates:

Water Rates

Monthly Base Rate with 0 gallons Included			Volumetric Charge on all usage
Meter Size	Rate		
5/8"	\$23.44		\$1.50 per 1,000 gallons
1"	\$58.60		
1 1/2"	\$117.20		
2"	\$187.52		
3"	\$351.60		
4"	\$586.00		
6"	\$1,172.00		
NHCRWA Pass Through Fee			\$2.76 per 1,000 gallons

6. Beginning on the Effective Date, J&S Water, Intervenors, and Commission Staff agree that the monthly charge for wastewater service shall be set at the following rates:

Sewer Rates

Monthly Base Rate with 0 gallons Included			Volumetric Charge on all usage
Meter Size	Rate		
5/8"	\$36.15		\$2.00 per 1,000 gallons

7. In my opinion, the Stipulation contains just and reasonable rates that are within the range of likely results produced from continued litigation. It is also my opinion that a fully litigated docket could potentially produce an outcome, which would be less favorable to the parties.
8. Based upon my analysis and review of the proposed rates and my review of the Stipulation and Settlement Agreement, as described above, I conclude that the Stipulation and Settlement Agreement are reasonable and meet the requirements of Tex. Water Code Ann. §§ 13.182 – 13.185 (TWC) and 16 Tex. Admin. Code § 24.31 (TAC)

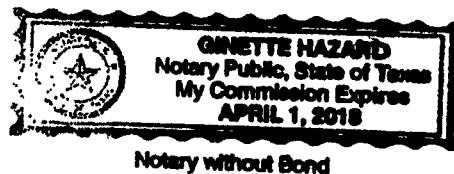


Sean Scaff
Engineering Specialist
Water Utility Regulation Division
Public Utility Commission of Texas

SUBSCRIBED AND SWORN TO before me, on this the 27 day of July 2017.



NOTARY PUBLIC in and for the State of Texas.



**SOAH DOCKET NO. 473-17-2372.WS
PUC DOCKET NO. 46438**

Application of J&S Water Company, LLC for a Rate/Tariff Change

AFFIDAVIT OF JANIE M. KOHL

THE STATE OF TEXAS

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BEFORE THE STATE OFFICE

COUNTY OF TRAVIS

OF

ADMINISTRATIVE HEARINGS

ON THIS DAY, before me, the undersigned authority, personally appeared Janie Kohl who on her oath stated as follows:

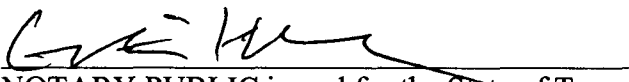
1. My name is Janie Kohl. I am employed by the Public Utility Commission (PUC) in the Water Utility Regulation Division as a Financial Analyst/Financial Examiner.
2. I am at least 21 years of age, fully competent and authorized to make the statements herein. Additionally, I have personal knowledge of the facts stated herein, and they are true and correct to the best of my knowledge.
3. On November 23, 2016, J&S Water Company, LLC (“J&S” or “Utility”) filed an application for a rate/tariff change pursuant to Tex. Water Code 13.041, 13.042(e), 13.181 – 13.185, and 13.1871 (TWC) and 16 Tex. Admin. Code § 24.22 (TAC).
4. In its initial application, J&S requested a revenue requirement of \$895,061 which represents test year expenses for the period ending July 31, 2016, and known and measurable changes to expenses. This request was revised by stipulation as indicated below:
5. By stipulation, J&S agreed to revise its requested revenue requirement to \$766,543 which results in the rates outlined in Mr. Sean Scaff’s affidavit. This amount is generally comprised of expenses that are reasonable and necessary for the provision of utility service, including a reasonable return amount that allows the utility the opportunity to earn a reasonable return on its invested capital.
6. In my opinion, the Stipulation contains a revenue requirement that is within the range of likely results produced from continued litigation. It is also my opinion that a fully litigated docket could potentially produce an outcome, including rate case expense, which would be less favorable to the parties.

7. Additionally, J&S agreed to charge no rate case expenses to its customers; thus, no rate case expense surcharge will be charged to customers.
8. Based upon my analysis and review of the application and expenses included in the adjusted cost of service and my review of the Stipulation and Settlement Agreement, as described above, I conclude that the Stipulation and Settlement Agreement are reasonable and meet the requirements of Tex. Water Code Ann. §§ 13.183 – 13.185 (TWC) and 16 Tex. Admin. Code § 24.31 (TAC).

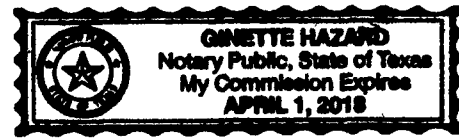


Janie Kohl
Financial Analyst
Water Utility Regulation Division
Public Utility Commission of Texas

SUBSCRIBED AND SWORN TO before me, on this the 27 day of July 2017.



NOTARY PUBLIC in and for the State of Texas.



Notary without Bond