



Control Number: 46497



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TARIFF CONTROL NO. 46497

APPLICATION OF DEER CREEK §
RANCH WATER COMPANY FOR A §
PASS-THROUGH RATE CHANGE §

PUBLIC UTILITY COMMISSION
OF TEXAS

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EXTENSION REQUEST

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Extension Request in response to a Notice Finding Application Complete and Establishing Procedural Schedule and would show the following:

I. BACKGROUND

On October 31, 2016, Deer Creek Ranch Water Company filed an application for approval of a pass-through rate change for fees imposed on the utility for purchased water.

Deer Creek's request is governed by 16 Texas Administrative Code § 24.21 (TAC). The review of a proposed revision of a utility's billings to its customers to allow the recovery of additional costs under the utility's approved pass through provision is an informal proceeding.¹ Only Staff, or the utility, may request a hearing on the proposed revision.² On January 23, 2017, Staff filed a recommendation that the application be deemed administratively complete.

On January 26, 2017, a Notice was issued finding the application administratively complete and establishing a deadline of February 24, 2017 for Staff to file a final recommendation on the application. This pleading is therefore timely filed.

II. EXTENSION

Deer Creek currently has a prior pass-through application pending in Tariff Control No. 45550.³ If two pass-through applications are pending at the same time, the older application must reach final disposition before Staff can make a final recommendation on the newer application. An older application may result in updates to pass-through formulae and the language

¹ 16 TAC § 24.21(b)(2)(B).

² *Id.*

³ See generally Application of Deer Creek Ranch Water Company for a Pass-Through Rate Change, Tariff Control No. 45550 (pending).

used in the tariff to describe the pass-through charges. As a result, Staff cannot determine whether a newer application calculates the pass-through rates correctly until final disposition of the older application establishes the correct formulae. In addition, whenever a pass-through application is approved, updated tariff sheets reflecting the approved pass-through rates are provided to the applicant. If Staff recommends approval of the newer application, it cannot prepare updated tariff sheets to attach to its recommendation until the correct tariff language is established by final disposition of the older application. Also, if the newer application were to be approved while the older application is pending, any approval of the older application would result in the tariff sheets reflecting the pass-through rates approved in the newer application being superseded by tariff sheets reflecting the pass-through rates applied for in the old application. These rates would be incorrect, as evidenced by the fact that a newer application had been filed. Staff therefore cannot make a final recommendation on the present application until final disposition of the application in Tariff Control No. 45550 has occurred. Staff thus requests that the deadline for Staff to file a final recommendation be extended until March 27, 2017 as Staff awaits final disposition of Tariff Control No. 45550.

III. CONCLUSION

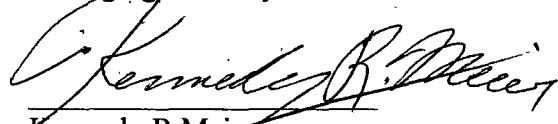
For the reasons stated above, Staff respectfully requests that the deadline for Staff to file a final recommendation be extended until March 27, 2017.

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF
TEXAS LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Katherine Lengieza Gross
Managing Attorney

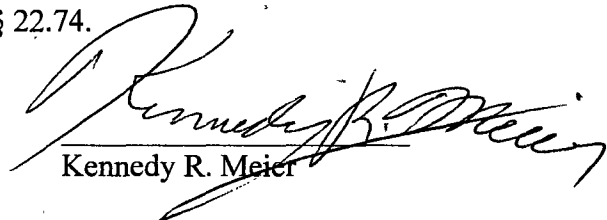


Kennedy R Meier
State Bar No. 24092819
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7265
(512) 936-7268 (facsimile)
kennedy.meier@puc.texas.gov

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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this the 24th of February, 2017 in accordance with 16 TAC § 22.74.



Kennedy R. Meier