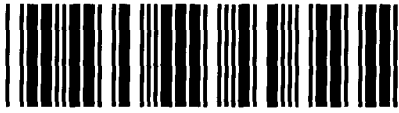


Control Number: 46497



Item Number: 7

Addendum StartPage: 0

RECEIVED

2016 DEC 21 PM 2:58

PUBLIC UTILITY COMMISSION
FILING CLERK

Helen S. Gilbert
hg.gilbert@gwtxlaw.com



Gilbert Wilburn, PLLC
ATTORNEYS AT LAW

Randall B. Wilburn, P.E.
rbw@gwtxlaw.com

December 21, 2016

Sam Change, Staff Attorney
Legal Division
Public Utility Commission of Texas
PO Box 13326
Austin, TX 78711

Re: Deer Creek Ranch Water Co., LLC; Notice of Intent to Recover Additional Costs
Under Existing Tariff Provision; Docket No. 46497; Response to Staff Request

Dear Sam:

I am writing in response to the Commission Staff's Recommendation on Administrative Completeness dated November 18, 2016. As per staff's request, Deer Creek Ranch Water Co., LLC ("Deer Creek") sent the attached revised notice to customers on December 1, 2016. According to the records of the Texas Commission on Environmental Quality, Deer Creek paid the 2014 Regulatory Assessment Fee at least once, and possibly twice, in 2015.

Please let me know if you have any additional questions regarding this notice of pass through.

Sincerely,

Randall B. Wilburn

Attachments

NOTICE OF WTCPUA WATER RATE INCREASE

DEER CREEK RANCH WATER COMPANY, LLC

PO BOX 436

Dripping Springs TX 78620-0436

Phone 512-894-3322

Due to the actions of the WTCPUA Board of Directors, the WTCPUA is changing your water rates again. The utility is implementing this tariff change in accordance with the utility's approved purchased water adjustment clause to recognize revisions in the cost of purchased water. The cost of these charges to customers will not exceed the revised cost of purchased water. The WTCPUA Board approved a decrease in the gallonage charge for wholesale water to \$1.64/1,000 gals. and increased the monthly base fee to \$8,110.75. The new calculation for the surface water charges is as follows:

Purchased Water Rate = [WTCPUA Treated Water Charge + LCRA Raw Water Charge**]/(1-0.15)

Old Purchased Water Rate = [\$1.81* + \$0.5371]/0.85 = \$2.76/1,000 gallons

New Purchased Water Rate = [\$1.64 + \$0.2225]/0.85 = **\$2.19/1,000 gallons**

The WTCPUA Board also raised the base minimum charge to \$8,110.75, which increases the total WTCPUA Base Charges to \$12,277.42/number of active customers/per month. The calculation follows:

WTCPUA Base Charges = (\$50,000.00/12 months Annual Fee + \$8,110.75 mo. min. charge) = \$12,277.42

All other charges remain unchanged. For any questions regarding the WTCPUA charges to Deer Creek Ranch Water Co., LLC, please contact the WTCPUA General Manager at 512-473-3200.

Water Rates effective October 1, 2016

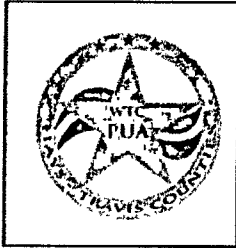
Usage	Deer Creek Water	WTCPUA/LCRA	TOTAL
0-2,000 gals	\$2.00/1,000 gals	\$2.19/1,000 gals	\$4.19/1,000 gals
2,001-4,000 gals	\$4.00/1,000 gals	\$2.19/1,000 gals	\$6.19/1,000 gals
4,001-6,000 gals	\$5.00/1,000 gals	\$2.19/1,000 gals	\$7.19/1,000 gals
> 6,000 gals	\$6.25/1,000 gals	\$2.19/1,000 gals	\$8.44/1,000 gals

Deer Creek Base Rate = \$44.00

WTCPUA Base Charges = \$12,277.42 per month/number of active customers

LCRA Reservation Fee=Annual Fee (currently \$250 af x \$72.50/af)/number of active customers/12

****The Public Utility Commission of Texas has revised the methodology for calculating the pass through volume charge by decreasing the LCRA volume charge by the amount of each gallon included in the TOTAL LCRA Reservation Fee. As per the PUC revision and LCRA billing practices, Deer Creek will now charge the TOTAL LCRA Reservation Fee divided by 12 and by the number of active customers.**



WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY

12117 Bee Cave Road
Building 3, Suite 120
Bee Cave, Texas 78738
Office: 512/263-0100
Fax: 512/263-2289
www.wtcpua.org

August 29, 2016

Mr. Sam Hammett
P.O. Box 436
Dripping Springs, Texas 78620

RE: Notice of Adjustment to Wholesale Rate for Deer Creek Ranch

Dear Mr. Hammett:

This notice is to advise you that on August 18, 2016, the Board of Directors of the West Travis County Public Utility Agency (the "WTCPUA"), in accordance with your wholesale water contract, approved an adjustment to Deer Creek Ranch's wholesale rate. Your revised wholesale water rate approved by the WTCPUA is as follows:

Minimum Charge: \$8,110.75
Volumetric Rate: \$1.64/1,000 gallons

This revised wholesale rate will be effective October 1, 2016.

If you have any questions regarding this matter, please do not hesitate to contact me at (512) 263-0100 or rpugh@wtcpua.org.

Sincerely,

Robert Pugh
WTCPUA General Manager

cc: Stefanie Albright, WTCPUA General Counsel
Larry Fox, Ph.D., President WTCPUA
Jennifer Reichers, WTCPUA Program Manager