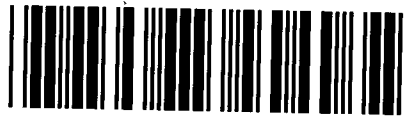


Control Number: 46761



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Addendum StartPage: 0

TARIFF CONTROL NO. 46761

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APPLICATION OF J&S WATER COMPANY, LLC TO IMPLEMENT A PASS-THROUGH RATE CHANGE FOR WATER CERTIFICATE OF CONVENIENCE AND NECESSITY CCN NO. 12085

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PUBLIC UTILITY COMMISSION OF TEXAS

PUBLIC UTILITY COMMISSION FILING CLERK

COMMISSION STAFF'S FINAL RECOMMENDATION

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

I. Background

On January 12, 2017, J&S Water Company, LLC (J&S), holder of Certificate of Convenience and Necessity (CCN) No. 12085, filed an application to implement a pass-through rate increase due to an increase in the water use fees imposed on the utility by the North Harris County Regional Water Authority. The rate increase will affect the Five Oaks subdivision, public water supply (PWS) #1011496, the Maple Leaf Gardens subdivision, PWS #1011493, and the Oakland Village subdivision, PWS #1010049. The requested effective date for the pass-through rate change is March 1, 2017.

On February 13, 2017, the Administrative Law Judge (ALJ) issued a notice directing J&S to submit the information requested by Commission Staff and proof that revised notice had been provided to the utility's customers. The ALJ also directed Staff to provide a supplemental recommendation within 20 days of J&S providing the requested information. J&S filed the requested information and proof of revised notice on February 21, 2017. Therefore, this pleading is timely filed.

II. Staff's Recommendation on Sufficiency and Notice

Staff has reviewed J&S's application, and in accordance with Tex. Water Code, Chapter 13, and 16 Tex. Admin. Code §24.21 (TAC), and as supported by the attached memorandum of Jonathan Ramirez of the Commission's Water Utility Regulation Division, Staff recommends

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that the application be deemed administratively complete and sufficient. J&S filed a copy of their monthly breakdown of water pumped for one year, a copy of the relevant pages of their tariff, and provided notice that included the present calculation of billings and mandatory language as required by 16 TAC § 24.21(b)(2)(E).

III. Staff's Final Recommendation

Staff recommends that J&S application is administratively complete and complies with the requirements of 16 TAC § 24.21. Therefore, as supported by Jonathan Ramirez's attached memorandum, Staff recommends approval of J&S's application to increase the purchased water pass-through rate from \$2.06 to \$2.76 per 1,000 gallons of water usage. Staff recommends that an approved tariff incorporating the pass-through adjustment, of which a proposed copy is attached, be provided to J&S with any Notice of Approval.

IV. Conclusion

Staff respectfully requests that the ALJ issue an order consistent with this Recommendation.

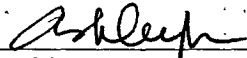
DATED: March 13, 2017

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF
TEXAS LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Karen S. Hubbard
Managing Attorney

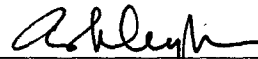


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DOCKET NO. 46761

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on March 13, 2017, in accordance with 16 TAC § 22.74.



Ashley Nwonuma

PUC Interoffice Memorandum

To: Ashley Nwonuma, Attorney
Legal Division

Thru: Debi Loockerman, Financial Manager
Water Utilities Division

From: Jonathan Ramirez, Financial Analyst
Water Utilities Division

Date: March 13, 2017

Subject: **Tariff Control No. 46761; Application of J&S Water Company, LLC for a Pass-Through Rate Change**

On January 12, 2017, J&S Water Company, LLC (Applicant), holder of Certificate of Convenience and Necessity (CCN) No. 12085, filed an application pursuant to 16 Tex. Admin. Code §24.21 (b)(2)(vii) (TAC) to implement a pass-through rate for changes in the water usage fee imposed on the utility by the North Harris County Regional Water Authority. The rate increase will affect the Five Oaks Subdivision, Public Water Supply (PWS) No. 1011496, the Maple Leaf Gardens subdivision, PWS No. 1011493, and the Oakland Village subdivision, PWS No. 1010049. The requested effective date for the pass-through rate change is March 1, 2017.

The Applicant filed a copy of their monthly breakdown of water pumped for the year, a copy of the first five pages of their currently approved tariff, and provided notice that includes present calculations of billings and the correct language required by TAC §24.21.

The Applicant proposed to increase the purchased water pass through rate from \$2.06 to \$2.76 per 1,000 gallons of water usage. Staff confirmed that North Harris County Regional Water Authority has increased its rates using the documents provided with the application. Notice by the Applicant was correctly provided to the customers pursuant to 16 Tex. Admin. Code § 24.21.

Based upon review of the information submitted, Staff recommends that:

1. The application is sufficient for filing;
2. The pass-through application should be approved as filed; and,
3. A copy of an approved tariff should be provided to the Applicant (attached).