

Control Number: 46761



Item Number: 7

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TARIFF CONTROL NO. 46761

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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RECEIVED
PUBLIC UTILITY COMMISSION
2017 MAR 20 PM 2:31
OF TEXAS
PUBLIC UTILITY COMMISSION
FILING CLERK

COMMISSION STAFF'S AMENDED 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. On March 13, 2017, Staff filed its recommendation, but inadvertently omitted the attached tariff, and now files this amended recommendation to include the tariff.

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

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Jonathan Ramirez of the Commission's Water Utility Regulation Division, Staff recommends 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.

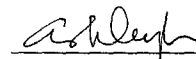
DATED: March 20, 2017

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF
TEXAS LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

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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 March 20, 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).



WATER UTILITY TARIFF
Tariff Control Number: 46761

J & S Water Company, L.L.C.
(Utility Name)

1905 N. Battle Bell Road
(Business Address)

Highlands, TX 77562
(City, State, Zip Code)

(281) 590-4359
(Area Code/Telephone)

This tariff is effective for utility operations under the following Certificate of Convenience and Necessity:

12085

This tariff is effective in the following counties:

Harris, Chambers, and Liberty

This tariff is effective in the following cities or unincorporated towns (if any):

None

This tariff is effective in the following subdivisions:

Arbor Oaks (PWS #1011493), Five Oaks (PWS #1011832), Maple Leaf Gardens (PWS #1011493), Oakland Village (PWS #1010049), Windfern Meadows (PWS #1011493), and Woodland Acres (Subdivision and Mobile Home Park) (PWS #0360027)

TABLE OF CONTENTS

The above utility lists the following sections of its tariff (if additional pages are needed for a section, all pages should be numbered consecutively):

SECTION 1.0 - RATE SCHEDULE	2
SECTION 2.0 - SERVICE RULES AND POLICES	3
SECTION 3.0 - EXTENSION POLICY	11
APPENDIX A: DROUGHT CONTINGENCY PLAN	
APPENDIX B: APPLICATION FOR SERVICE	

SECTION 1.0 --RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonge Charge</u>
5/8" or 3/4"	\$ <u>23.44</u> (per connection for all water meter sizes)	\$4.26 ***per 1,000 gallons over the minimum
1"	\$ <u>58.60</u>	
1 1/2"	\$ <u>117.20</u>	
2"	\$ <u>187.52</u>	
3"	\$ <u>351.60</u>	
4"	\$ <u>586.00</u>	
6"	\$ <u>1,172.00</u>	

***Gallonge Charge: Gallonge charge of \$4.26 per 1,000 gallons includes North Harris County Regional Water Authority's ground water fee surcharge of \$2.76 per 1,000 gallons.

FORM OF PAYMENT: The utility will accept the following forms of payment:

Cash X, Check X, Money Order X, Credit Card X, Other (specify) _____
 THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

Phone Payment Fee*: A fee of five percent (5%) of the amount paid will be charged for all phone payments.

REGULATORY ASSESSMENT 1.0%
 PUC RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL.

Section 1.02 - Miscellaneous Fees

TAP FEE \$600.00
 TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL CONNECTION. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

NON-RESIDENTIAL TAP FEE Actual Cost
 THE TAP FEE IS BASED ON THE AVERAGE OF THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR NON-RESIDENTIAL CUSTOMERS.

RECONNECTION FEE
 THE RECONNECT FEE MUST BE PAID BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS (OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF):

a) Non payment of bill (Maximum \$25.00).....	<u>\$25.00</u>
b) Customer's request that service be disconnected	<u>\$50.00</u>

SECTION 1.0 -- RATE SCHEDULE (Continued)

TRANSFER FEE\$50.00

THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED.

LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL)\$5.00

PUC RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE\$30.00

RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50).....\$50.00

NON-RESIDENTIAL CUSTOMER DEPOSIT 1/6TH of estimate annual billing

METER TEST FEE\$25.00

THIS FEE WHICH SHOULD REFLECT THE UTILITY'S COST MAY BE CHARGED IF A CUSTOMER REQUESTS A SECOND METER TEST WITHIN A TWO-YEAR PERIOD AND THE TEST INDICATES THAT THE METER IS RECORDING ACCURATELY. THE FEE MAY NOT EXCEED \$25.

METER CONVERSION FEEActual Cost

TO CHANGE LOCATION OR INCREASE THE SIZE OF THE METER AT THE CUSTOMER'S REQUEST.

PASS THROUGH ADJUSTMENT CLAUSE:

The utility may pass on only to those customers served by a system subject to the jurisdiction of the North Harris County Regional Water Authority (NHCRWA) or systems receiving purchased water from the City of Houston Groundwater Reduction Plan (COH GRO), any increase or decrease in its underground water district pumpage fee or purchased water fee, thirty (30) days after noticing of any change to all effected customers and filing notice with the PUC as required by 16 TAC 24.21 (h). The change per customer shall be calculated as follows:

$$(A \times B) \div C + L [A \times B] \div C = \text{increase or decrease to existing gallonage rate}$$

Where:

A = Utility's annualized change in cost of water subjected to district's fee

B = Average number of gallons

C = 1,000 gallons

L = Percentage system wide line loss for the preceding 12 months, not to exceed 15%

Tariff Control No. 46761

Woodland Acres

(Utility Name)

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonage Charge</u>
5/8" or 3/4"	\$ <u>23.44</u> (per connection for all water meter sizes)	\$1.50 ***per 1,000 gallons over the minimum
1"	\$ <u>58.60</u>	
1 1/2"	\$ <u>117.20</u>	
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THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

Phone Payment Fee*: A fee of five percent (5%) of the amount paid will be charged for all phone payments.

REGULATORY ASSESSMENT 1.0%

PUC RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL.

Section 1.02 - Miscellaneous Fees

TAP FEE \$600.00

TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL CONNECTION. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

NON-RESIDENTIAL TAP FEE Actual Cost

THE TAP FEE IS BASED ON THE AVERAGE OF THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR NON-RESIDENTIAL CUSTOMERS.

RECONNECTION FEE

THE RECONNECT FEE MUST BE PAID BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS (OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF):

- a) Non payment of bill (Maximum \$25.00) \$25.00
- b) Customer's request that service be disconnected \$50.00

TRANSFER FEE \$50.00

THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED.

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SECTION 1.0 -- RATE SCHEDULE (Continued)

LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL)	<u>\$5.00</u>
PUC RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.	
RETURNED CHECK CHARGE	<u>\$30.00</u>
RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.	
CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50):.....	<u>\$50.00</u>
NON-RESIDENTIAL CUSTOMER DEPOSIT	<u>1/6TH of estimate annual billing</u>
METER TEST FEE	<u>\$25.00</u>
THIS FEE WHICH SHOULD REFLECT THE UTILITY'S COST MAY BE CHARGED IF A CUSTOMER REQUESTS A SECOND METER TEST WITHIN A TWO-YEAR PERIOD AND THE TEST INDICATES THAT THE METER IS RECORDING ACCURATELY. THE FEE MAY NOT EXCEED \$25.	
METER CONVERSION FEE	<u>Actual Cost</u>
TO CHANGE LOCATION OR INCREASE THE SIZE OF THE METER AT THE CUSTOMER'S REQUEST.	

PASS THROUGH ADJUSTMENT CLAUSE:

The utility may pass on only to those customers served by a system subject to the jurisdiction of the North Harris County Regional Water Authority (NHCRWA) or systems receiving purchased water from the City of Houston Groundwater Reduction Plan (COH GRO), any increase or decrease in its underground water district pumpage fee or purchased water fee, thirty (30) days after noticing of any change to all effected customers and filing notice with the PUC as required by 16 TAC 24.21 (h). The change per customer shall be calculated as follows:

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Where:

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B = Average number of gallons

C = 1,000 gallons

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