



Control Number: 46850



Item Number: 3

Addendum StartPage: 0

TARIFF CONTROL NO. 46850

**TARIFF FILING OF COMMUNITY
COMPANY FOR PURCHASED
WATER ADJUSTMENT, PURSUANT
TO PUC SUBST. R. §24.21(h)(4)¹**

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**PUBLIC UTILITY COMMISSION
OF TEXAS**

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FILING CLERK

COMMISSION STAFF'S RECOMMENDATION

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest and files this recommendation and would show the following:

I. Background

On February 13, 2017, Community Water Company (Community) filed an application to implement a pass-through rate change in its tariff under Water Certificate of Convenience and Necessity (CCN) No. 10534. Community seeks to implement the pass-through provision as a result of an increase in rates charged by the City of Ennis for purchased wholesale water. The rate increase will affect customers located inside and outside the city. The requested effective date for the pass-through rate change is March 20, 2017:

On February 14, 2017, the Administrative Law Judge (ALJ) issued the Notice Setting Deadline for Staff's Recommendation, requiring Staff to file a recommendation on Community application, including sufficiency of notice, and a propose a procedural schedule by March 6, 2017. Therefore this pleading is timely filed.

II. Staff's Recommendation on Sufficiency and Notice

The implementation of a purchased water provision qualifies as a minor tariff change.² Pursuant to 16 Texas Admin. Code § 24.21(b)(2) (TAC), if a utility wishes to revise billings to its customers pursuant to an approved purchased water treatment or water use fee provision to allow for the recovery of additional costs, then prior to the beginning of the billing period in

¹ While Community refers to 16 Tex. Admin. Code § 24.21(h)(4) in its application, the rule has since been amended, and the applicable rule is now § 24.21(b)(2)(E).

² 16 TAC § 24.21(b)(2)(B).

which the revision takes effect, the utility must submit written notice to the Commission, and give proper notice to the affected customers.

Staff has reviewed Community's application and, as supported by the attached memorandum of Jonathan Ramirez of the Water Utilities Division, Staff recommends that the application be found administratively complete, but that Staff's final recommendation be delayed until March 20, 2017. Community's application lacks the supporting documentation of line loss to support its decrease in rates. Therefore, to address this concern Staff recommends that Community be authorized to collect the pass-through rates as of the proposed March 20, 2017 effective date, but also that Community be required to file a copy of either the monthly breakdown of water pumped and sold or the current year water usage report by March 14, 2017.

III. Conclusion

For the reasons stated above, Staff respectfully requests that an order consistent with the above recommendation.

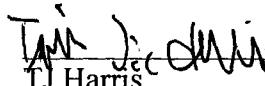
Dated: March 6, 2017

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF
TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

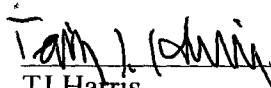
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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on March 6, 2017 in accordance with 16 TAC § 22.74.


TJ Harris