



Control Number: 46922



Item Number: 4

Addendum StartPage: 0

Oak Hill Estates Water Operations Office
A-1 Utility & Construction Services, Inc. RECEIVED
27351 Blueberry Hill Drive, Suite 36
Conroe, Texas 77385-8969 2017 APR 10 AM 9:19

PUBLIC UTILITY COMMISSION
FILING CLERK

Phone (281) 367-0935

April 3, 2017

Public Utility Commission
PO Box 13326
Austin, TX 78711-3326

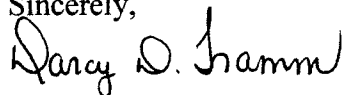
RE: Tariff Control #46922
Increase in pass through rate
Oak Hill Estates Water System - CCN #12861

To whom it may concern,

On April 1, 2016 my office received a recommendation from your staff that our pass through rate increase submitted for Oak Hill Estates Water Company was not sufficient for the following reasons:

- 1) Improperly used the pass-through provision formula from its approved tariff
Response: I have recalculated the rate using the formula correctly and made this correction on a second customer notice that was sent out to all customers receiving water service on April 3, 2017(a copy of the notice is attached for your records)
- 2) Included language from a version of 16 TAC §24.21 that was changed after its amendment on December 4, 2016
Response: I have corrected the wording to match the December 4, 2016 amended wording on the notice sent to customers on April 3, 2017.
- 3) Delinquent in paying its Regulatory Assessment Fees to the Texas Commission on Environmental Quality (TCEQ)
Response: I have contacted the TCEQ regarding the missing payment from 2003. I am waiting on a response from TCEQ on how to correct the records.

Sincerely,



Darcy Tramm, Office Manager
Oak Hill Estates Water Company
District Operations' Company

Enclosures: Copy of notice of proposed increase pass through rate sent to customers on
04/03/2017

NOTICE TO CUSTOMERS OF PROPOSED INCREASE IN PASS THROUGH RATE

Castle Country Homes Inc.
dba Oak Hill Estates Water Company

12861

Company Name

CCN Number

has a pass through rate provision as part of water utility tariff on file with the Texas Public Utility Commission (Commission). **This tariff change is being implemented in accordance with the minor tariff changes allowed by 16 Texas Administrative Code §24.21. The cost to you as a result of this change will not exceed the costs charged to your utility.** Please read all information carefully.

Oak Hill Estates

Subdivision Affected by Pass Through Provision

77338

Zip Codes Affected by Pass Through Provision

27351 Blueberry Hill Drive, Suite 36 Conroe Texas 77385-8969 (281) 367-9419
Company Address City State Zip Phone #

April 03, 2017

May 1, 2017

Date Customer Notice Mailed

Effective Date of the Increase

PASS THROUGH RATE PROVISION: For utilities subject to changes in cost imposed by any non-affiliated provider of purchased water or sewer or a groundwater conservation district having jurisdiction over the Utility, these increases shall be passed through as an adjustment to the base rate and gallonage charge according to the formulas:

Adjusted Gallonage Rate (AG) = $G + [B/(1 - L)]$, Where:

AG = adjusted gallonage charge, rounded to nearest one cent;

G = approved gallonage charge, per 1,000 gallons;

B = change in fee (per 1,000 gallons);

L = water or sewer line loss for preceding 12 months, not to exceed 0.15 (15%)

Adjusted Gallonage Rate = Approved Gallonage Charge + [change in fee/(1-water loss)]

Gallon Rate AG = $[2.90/1-0.13] = [2.90/0.87] = \3.33

To modify the pass through provision, the utility must comply with all notice and other requirements of 30 TAC 291.21(h).

This notice is to make you aware that the North Harris County Regional Water Authority rate charged to you on your monthly water bill is increasing \$ 0.57 from \$2.76 per 1,000 gallons billed to \$3.33 per 1,000 gallons billed effective with bill due 07/16/2017 (water usage from 05/21/2017 to 06/21/2017).

Please call the billing office if you have any questions regarding this change at (281) 367-0935.