



Control Number: 46922



Item Number: 7

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## *Public Utility Commission of Texas*

**TO: Darcy Tramm**  
**Oak Hill Estates Water Operations Office**  
**A-1 Utility & Construction Services, Inc.**  
**27351 Blueberry Hill Drive, Suite 36**  
**Conroe, Texas 77385-8969**

**Commission Staff – Water Utility Regulation Division**  
**Commission Staff – Legal Division**

**RE: Tariff Control No. 46922 – *Application of Oak Hill Estates Water Company to Implement a Pass-Through Rate Change***

### **NOTICE OF APPROVAL**

This Notice addresses the application of Castle Country Homes, Inc. dba Oak Hill Estates Water Company, holder of water certificate of convenience and necessity number 12861, to implement a pass-through rate change due to an increase in fees imposed on the utility by the North Harris County Regional Water Authority. The rate increase will affect the Oak Hill Estates subdivision and the proposed effective date was April 1, 2017.

On March 29, 2017, Commission Staff recommended that the application was deficient, for specified reasons, including Oak Hill being delinquent in paying its Regulatory Assessment Fee to the Texas Commission on Environmental Quality (TCEQ). Commission Staff recommended delaying the effective date of the requested pass-through rate increase until the deficiencies were cured. The application was deemed deficient on April 11, 2017 and the effective date was delayed until the deficiencies were cured.

On April 10, 2017, Oak Hill responded to the deficiencies identified by Commission Staff and submitted a copy of its revised notice as provided to customers, with a requested effective date of May 1, 2017. On April 25, 2017, Commission Staff recommended that Oak Hill's application and supplemental notice be deemed administratively complete and further that the application be approved; as specified in the pleading and attached memorandum of

Jonathan Ramirez of the Commission's Water Utility Regulation Division. Commission Staff recommended waiver of the missing Regulatory Assessment Fee for this application because it dates back to 2003. Commission Staff recommended approval of an increase in Oak Hill's purchase water pass-through rate from \$2.76 to \$3.33 per 1,000 gallons effective May 1, 2017. Commission Staff provided revised tariff pages for Oak Hill.

Consistent with Commission Staff's recommendation, Oak Hill's delinquent 2003 Regulatory Assessment Fee to the TCEQ is waived for this application. Oak Hill's application, is sufficient and it is approved. A pass-through rate of \$3.33 per 1,000 gallons is approved for Oak Hill's customers in the Oak Hill Estates subdivision, effective May 1, 2017. The approved revised tariff pages are attached to this Notice.

Signed at Austin, Texas the 8<sup>th</sup> day of May 2017.

**PUBLIC UTILITY COMMISSION OF TEXAS**



**SUSAN E. GOODSON**  
**ADMINISTRATIVE LAW JUDGE**

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**WATER UTILITY TARIFF**  
**Tariff Control No. 46922**

Castle Country Homes, Inc. dba  
Oak Hill Estates Water Company  
(Utility Name)

27351 Blueberry Hill #36  
(Business Address)

Conroe, Texas 77385  
(City, State, Zip Code)

(281) 367-9419  
(Area Code/Telephone)

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

12861

This tariff is effective in the following county:

Harris

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

None

This tariff is effective in the following subdivisions and public water systems:

Oak Hill Estates: PWS # 1013045

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

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APPENDIX A -- SAMPLE SERVICE AGREEMENT	
APPENDIX B -- APPLICATION FOR SERVICE	

SECTION 1.0 – RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallage Charge</u>
5/8" or 3/4"	\$30.85 (Includes 0 gallons)	\$3.17 per 1000 gallons
1"	\$77.13	
1½"	\$154.25	

North Harris County Regional Water Authority Water Use Fee:.....\$3.33  
per 1,000 gallons of water usage  
Tariff Control No. 46922

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

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

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

Section 1.02 - Miscellaneous Fees

TAP FEE .....\$1,000.00  
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 5/8" or 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE (Unique costs).....Actual Cost  
FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL AREAS.

TAP FEE (Large meter).....Actual Cost  
TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.

METER RELOCATION FEE .....Actual Relocation Cost, Not to Exceed Tap Fee  
THIS FEE SHALL BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

METER TEST FEE.....\$25.00  
THIS FEE WHICH SHOULD REFLECT THE UTILITY'S COST SHALL 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 SHALL NOT EXCEED \$25.

RETURNED CHECK CHARGE.....\$30.00  
RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

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.....\$40.00

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SECTION 1.0 -- RATE SCHEDULE (Continued)

TRANSFER FEE .....\$20.00  
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).....10%  
PUC RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE SHALL NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

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

COMMERCIAL & NON-RESIDENTIAL DEPOSIT ..... 1/6TH OF ESTIMATED ANNUAL BILL

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:  
WHEN AUTHORIZED IN WRITING BY PUC AND AFTER NOTICE TO CUSTOMERS, THE UTILITY SHALL INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING.  
[16 TAC 24.21(K)(2)]

LINE EXTENSION AND CONSTRUCTION CHARGES:  
REFER TO SECTION 3.0--EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES WHEN NEW CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.

**PASS THROUGH PROVISION:**

For Utilities subject to changes in costs imposed by any non-affiliated provider of purchased water or sewer or a groundwater conservation district having jurisdiction over the Utility, these increases (decreases) shall be passed though as an adjustment to the gallonage charge according to the formula:

- AG =  $G + B/(1-L)$ , where
- AG = adjusted gallonage charge, rounded to the nearest one cent;
- G = approved gallonage charge (per 1,000 gallons);
- B = change in purchased water/district gallonage charge (per 1,000 gallons);
- L = system average line loss for preceding 12 months not to exceed 0.15