



Control Number: 47001



Item Number: 1

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B & D ENVIRONMENTAL, INC.

913 HYDE PARK DR
ROUND ROCK, TEXAS 78665
PHONE NO: (512) 264-9124
FAX NO: (512) 692-1967

EMAIL: bretfenner@yahoo.com

47001

RECEIVED
2017 MAR 29 AM 9:47
PUBLIC UTILITY COMMISSION
FILING CLERK

March 27, 2017,

Public Utility Commission
Central Records
1701 N. Congress P.O. Box 13326
Austin, Texas 78711-3326

Re: Application of Nerro Supply Investors, LLC. (Nerro Supply) to Implement a Pass-Through Rate Change for Water Certificate of Convenience and Necessity (CCN) No. 10336

Dear Central Records:

Enclosed please find the following notice of implementing the water use fee clause in Nerro Supply's current tariff to pass through to affect customers an increase from the North Harris County Regional Water Authority (NHCRWA) for its water use fee. List of items enclosed to support the noticed increase:

1. Notice indicating an increase in the water use fee to \$ 3.03 per 1,000 gallons effective in April 1, 2017 which was delivered to all affected customers.
2. Calculation of change in the water usage fee increase for the affected subdivision.
3. Gallons pumped and gallons consumed for the past 12 month's period.
4. Reporting and Billing from the NHCRWA indicating the date and amount of this pass thru rate increase.
5. Copy of the current water tariff for Nerro Supply containing the rates that will change if this Application is approved.

Should you have any further questions concerning this pass thru request, please do not hesitate to contact me at (512) 264-9124.

Sincerely,



Bret W. Fenner, P.E.
B & D Environmental, Inc.

Enclosures

NOTICE OF PASS THROUGH RATE PROVISION INCREASE

Nerro Supply Investors, LLC

Company Name

10336

CCN Number

is increasing the gallon rate by \$0.84 per 1000 gallons for your subdivision. This tariff change is being implemented in accordance with the utility's approved water use fee clause to recognize an increase in the North Harris County Regional Water Authority water use fee for this subdivision. The cost to customers will not exceed the increased cost of the water use fee for the ground water reduction plan program. This tariff change is being implemented in accordance with the minor tariff change allowed by 16 Texas Administrative Code §24.21. The cost to you as a result of this change will not exceed the cost charged to your utility.

Spring Creek Valley Estates PWS# 1010213

Subdivisions /Systems Affected by Pass Through Provision

P.O. Box 691008

Company Address

Houston

City

TX

State

77269

Zip

281-355-1312

Phone #

March 17, 2017

Date Customer Notice Mailed

April 1, 2017

Effective Date of the Increase

Current Tariff Approved North Harris County Regional Water Authority water use fee: (Docket No. 44387)
\$ 2.19 per 1,000 gallons

Revised North Harris County Regional Water Authority water use fee (April 1, 2017): \$2.90 per 1000 gallons

System average line loss: (Gallons pumped - Gallons billed) / Gallons pumped
(16,172,971 - 10,473,000) / 16,172,971
 $5,699,971 / 16,172,971 = .352$ or 35.2% > 15%

Calculation of change in North Harris County Regional Water Authority water use fee pass thru charge:
\$ 2.90 per 1,000 gallons - \$ 2.19 per 1,000 gallons = \$ 0.71 per 1,000 gallons

Calculation of Gallonage Rate Adjustment:

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 purchased water/district gallonage charge (per 1,000 gallons);

L = system average line loss for preceding 12 months not to exceed 0.15

$$AG = \$ 2.19 + [\$ 0.71 / (1 - 0.15)]$$

$$AG = \$ 2.19 + [\$ 0.84]$$

$$AG = \$ 3.03$$

Pass Through Provision Fee:

\$ 3.03 per 1000 gallon additional fee will be added as a pass through charge for the North Harris County Regional Water Authority water use fee

Calculation of North Harris County Regional Water Authority (NHCRWA) Water Use Fee - Spring Creek Valley Estates

Current Tariff Approved Pass thru NHCRWA water use fee per Docket No. 44387
\$ 2.19 per 1,000 gallons

Current NHCRWA water use fee (April 1, 2017): \$ 2.90 per 1000 gallons

Calculation of change in NHCRWA water use fee:
\$ 2.90 per 1,000 gallons - \$ 2.19 per 1,000 gallons = \$ 0.71 per 1,000 gallons

Calculation of Pass Thru Rate:

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%)

$$AG = \$ 2.19 + [\$ 0.71 / (1 - 0.15)]$$

$$AG = \$ 2.19 + [\$ 0.84]$$

$$AG = \$ 3.03$$

Line Loss Calculation: (Gallons pumped - Gallons billed) / Gallons pumped
(16,172,971 - 10,473,000) / 16,172,971
5,699,971 / 16,172,971 = .352 or 35.2%

Spring Creek Valley			
	Month	Pumped	Billed
2016	March	1,144,134	839,000
	April	1,199,744	865,000
	May	640,994	821,000
	June	1,143,507	913,000
	July	1,236,308	1,075,000
	August	1,752,212	1,133,000
	September	1,094,059	765,000
	October	1,549,527	803,000
	November	1,364,900	862,000
	December	1,571,900	805,000
2017	January	2,380,351	852,000
	February	1,095,335	740,000
	Total	16,172,971	10,473,000

**NORTH HARRIS COUNTY REGIONAL
WATER AUTHORITY
Groundwater and/or Surface Water
Reporting and Billing Form - 2017**

*****File Report Online!*****
Online Pumpage Reporting System
<http://opr.s.nhcrwa.com/>

Name of Well Owner: _____
Identify well #: Well #1: _____ Well #2: _____ Well #3: _____ Well #4: _____

<i>Check the reporting period for which this report is being filed.</i>			
<i>Reporting Period</i>		<i>Monthly Rate per 1,000 gallons</i>	<i>Due Date</i>
<input type="checkbox"/>	January 1-31, 2017	\$2.40 Groundwater / \$2.85 Surface Water	March 18, 2017
<input type="checkbox"/>	February 1-29, 2017	\$2.40 Groundwater / \$2.85 Surface Water	April 18, 2017
<input type="checkbox"/>	March 1-31, 2017	\$2.40 Groundwater / \$2.85 Surface Water	May 18, 2017
<input type="checkbox"/>	April 1-30, 2017	\$2.90 Groundwater / \$3.35 Surface Water	June 18, 2017
<input type="checkbox"/>	May 1-31, 2017	\$2.90 Groundwater / \$3.35 Surface Water	July 18, 2017
<input type="checkbox"/>	June 1-30, 2017	\$2.90 Groundwater / \$3.35 Surface Water	August 18, 2017
<input type="checkbox"/>	July 1-31, 2017	\$2.90 Groundwater / \$3.35 Surface Water	September 18, 2017
<input type="checkbox"/>	August 1-31, 2017	\$2.90 Groundwater / \$3.35 Surface Water	October 18, 2017
<input type="checkbox"/>	September 1-30, 2017	\$2.90 Groundwater / \$3.35 Surface Water	November 18, 2017
<input type="checkbox"/>	October 1-31, 2017	\$2.90 Groundwater / \$3.35 Surface Water	December 18, 2017
<input type="checkbox"/>	November 1-30, 2017	\$2.90 Groundwater / \$3.35 Surface Water	January 18, 2018
<input type="checkbox"/>	December 1-31, 2017	\$2.90 Groundwater / \$3.35 Surface Water	February 18, 2018

Gallons of Groundwater Pumped and/or Imported for Reporting Period:

	Start Meter Reading	End Meter Reading	Total
Well #1			
Well #2			
Well #3			
Well #4			

For additional wells, attach a second reporting form and put total from all wells below.

IMPORTED from outside NHCRWA Meter Reading	Source: _____

Gallons of Surface Water received for Reporting Period:

	Start Meter Reading	End Meter Reading	Total
Meter #1			
Meter #2			

For additional meters, attach a second reporting form and put total from all meters below.

REUSE Water			
1	Enter total gallons of Groundwater pumped and/or Imported	1	
2	Divide by 1,000	2	
3	Total Groundwater fee due (multiply line 2 x \$2.40 or \$2.90 effective 4/1/2017)	3	
4	Enter total gallons of Surface Water received	4	
5	Divide by 1,000	5	
6	Total Surface Water fee due (multiply line 5 x \$2.85 or 3.35 effective 4/1/2017)	6	
7	Deduct 2003 Capital Contribution Credit amount, if applicable	7	
8	Deduct 2005 Capital Contribution Credit amount, if applicable	8	
9	Deduct 2008 Capital Contribution Credit amount, if applicable	9	
10	Deduct Chloramination System Credit or other asset credit, if applicable	10	
11	Total due	11	

If your payment is received late, the Authority will send you an invoice for the late fees set forth in the Rate Order
I declare that the above information is true and correct to the best of my knowledge and belief

Dated _____ By _____
Phone. _____ Name _____
Title _____

**Make check payable to: North Harris County Regional Water Authority
Dept. 35
P. O. Box 4346
Houston, Texas 77210-4346**

**PLEASE FILE ONLINE AT [HTTP://OPRS.NHCRWA.COM/](http://opr.s.nhcrwa.com/)
OR MAIL THIS FORM WITH THE PAYMENT OR FAX TO 281-440-4104, PHONE: 281-440-3924**



WATER UTILITY TARIFF

Docket Number: 44387

Nerro Supply Investors, LLC
(Utility Name)

718 Westscott Street
(Business Address)

Houston, Texas 77007
(City, State, Zip Code)

(281)355-1312
(Area Code/Telephone)

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

10336

This tariff is effective in the following counties:

Harris and Montgomery

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:

See attached list.

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 POLICIES4
SECTION 3.0 -- EXTENSION POLICY11

APPENDIX A-- DROUGHT CONTINGENCY PLAN
APPENDIX B -- SAMPLE SERVICE AGREEMENT
APPENDIX C -- APPLICATION FOR SERVICE

LIST OF SUBDIVISIONS

SUBDIVISION	PWS ID NUMBER	COUNTY
Hazy Hollow East Estates	1700013	Montgomery
Shady Brook Acres	1700031	Montgomery
Spring Creek Valley Estates	1010213	Harris
White Oak Valley Estates	1700036	Montgomery

Docket No. 44387

Nerro Supply Investors, LLC

Water Utility Tariff Page No. 2

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates**Spring Creek Valley Estates (Harris County)**

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonage Charge</u>
5/8" or 3/4"	<u>\$37.16</u> (includes 1000 gallons)	<u>\$3.56</u> per 1,000 gallons over the minimum *Plus NHCRWA Fee for <u>ALL</u> gallons used

*North Harris County Regional Water Authority Water Use Fee:

\$2.19 per 1,000 gallons of water usage**Hazy Hollow East Estates, White Oak Valley Estates, Shady Brook Acres (Montgomery County)**

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonage Charge</u>
5/8" or 3/4"	<u>\$36.71</u> (includes 1000 gallons)	<u>\$3.55</u> per 1,000 gallons over the minimum *PLUS LSGCD & SJRA fees for <u>ALL</u> gallons used

*Lone Star Groundwater Conservation District Water Use Fee:

\$0.05 per 1,000 gallons of water usage

*San Jacinto River Authority Fee for Hazy Hollow East Estates and White Oak Valley Estates only.

\$2.50 per 1,000 gallons of water usage

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 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.

REGULATORY ASSESSMENT1.0%
PUC RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL AND REMIT TO THE TCEQ.

Docket No. 44387

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Nerro Supply Investors, LLC

Water Utility Tariff Page No. 3

SECTION 1.0 - RATE SCHEDULE (Continued)

Section 1.02 - Miscellaneous FeesTAP FEE.....N/A

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 FEEActual Relocation Cost, Not to Exceed Tap Fee
 THIS FEE MAY 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 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.

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.....N/A

TRANSFER FEE.....N/A

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 MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

Nerro Supply Investors, LLC

Water Utility Tariff Page No. 4

SECTION 1.0 – RATE SCHEDULE (Continued)

RETURNED CHECK CHARGE\$25.00
 RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

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 TCEQ AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [§ 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 through as an adjustment to the gallonage charge according to the formula:

$AG = G + B/(1-L)$, Where:

AG = adjusted gallonage charge, rounded to nearest one cent

G = approved gallonage charge, per 1,000 gallons

B = changed in fee (per 1,000 gallons)

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

$ABR = BR + (B \times N)/(1-L)$, Where:

ABR = adjusted base rate, rounded to nearest one cent;

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

N = no. of 1,000 gallons included in base rate (do not use zero);

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

Docket No. 44387

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