



Control Number: 47001



Item Number: 6

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PUBLIC UTILITY COMMISSION  
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## *Public Utility Commission of Texas*

**TO: Brett W. Fenner, P.E.**  
**B & D Environmental, Inc.**  
**913 Hyde Park Dr.**  
**Round Rock, Texas 78665**

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

**RE: Tariff Control No. 47001 – *Application of Nerro Supply Investors, LLC to Implement a Pass-Through Rate Change***

### **NOTICE OF APPROVAL**

This Notice addresses Nerro Supply Investors, LLC's application to implement a pass-through rate change due to water use fees imposed on the utility by the North Harris County Regional Water Authority (NHCRA). The rate increase affects the Spring Creek Valley Estates subdivision, public water system #1010213. The requested effective date for the pass-through rate change was April 1, 2017.

On April 19, 2017, Commission Staff recommended that Nerro's application and notice be deemed administratively complete and further that the application be approved; as specified in the pleading and attached memorandum of Andrew Novak of the Commission's Water Utility Regulation Division. Commission Staff requested issuance of a notice finding the application administratively complete and approving an \$0.84 increase in the NHCRA pass-through rate for affected customers, from \$2.19 to \$3.03 per 1,000 gallons, effective April 1, 2017. Commission Staff provided revised tariff pages for Nerro.

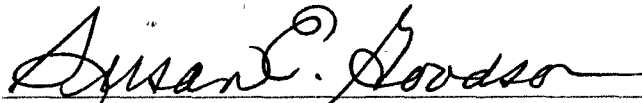
Consistent with Commission Staff's recommendation, Nerro's application, is sufficient and it is approved. A pass-through rate of \$3.03 per 1,000 gallons is approved for Nerro's customers in the Spring Creek Valley Estates subdivision, effective April 1, 2017. The approved revised tariff pages are attached to this Notice.



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Signed at Austin, Texas the 24<sup>th</sup> day of April 2017.

PUBLIC UTILITY COMMISSION OF TEXAS

A handwritten signature in cursive script, reading "Susan E. Goodson", written over a horizontal line.

SUSAN E. GOODSON  
ADMINISTRATIVE LAW JUDGE



## WATER UTILITY TARIFF

Tariff Control Number: 47001

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
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APPENDIX A --

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

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>Gallonge 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:

\$3.03 per 1,000 gallons of water usage

**Tariff Control No. 47001**

**Hazy Hollow East Estates, White Oak Valley Estates, Shady Brook Acres (Montgomery County)**

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonge 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 ASSESSMENT ..... 1.0%

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

**Tariff Control No. 47001**

SECTION 1.0 – RATE SCHEDULE (Continued)

Section 1.02 - Miscellaneous Fees

TAP 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 FEE ..... Actual 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.

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. [30 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 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 = change 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%)