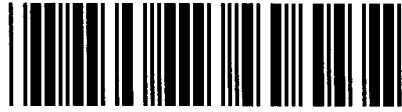




Control Number: 47051



Item Number: 4

Addendum StartPage: 0

**Donna L. Nelson**  
Chairman

**Kenneth W. Anderson, Jr.**  
Commissioner

**Brandy Marty Marquez**  
Commissioner

**Brian H. Lloyd**  
Executive Director



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Greg Abbott  
Governor

## *Public Utility Commission of Texas*

TO: **Bret 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. 47051 – Application of Community Utility Company to Implement a Pass-Through Rate Change**

### **NOTICE OF APPROVAL**

This Notice addresses Community Utility Company's application for a pass-through rate change due to an increase in water use fees imposed on the utility by the City of Houston for the utility's mandatory participation in Houston's ground water reduction program. The rate change affects customers in the Forest Manor (public water supply (PWS) #1010264) and Heathergate (PWS #1011302) subdivisions. The requested effective date for the pass-through rate change was April 1, 2017.

On May 1, 2017, Commission Staff recommended that the application be deemed sufficient and approved, as specified in the pleading and attached memorandum of Jonathan Ramirez of the Commission's Water Utility Regulation Division. Commission Staff recommended approval of an increase in Community's pass-through fee from \$.99 to \$1.05 per 1,000 gallons and provided revised tariff pages for Community. However, Commission Staff stated that because notice of the requested rate change was sent to customers on April 14, 2017, the effective date should be May 1, 2017, not April 1, 2017.

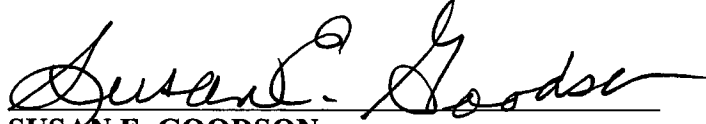
Consistent with Commission Staff's recommendation, Community's application is sufficient and it is approved. A new pass through rate of \$1.05 per 1,000 gallons for Community's customers in the Forest Manor and Heathergate subdivisions is approved



effective May 1, 2017. The approved revised tariff pages for Consumers are attached to this Notice.

Signed at Austin, Texas the 10<sup>th</sup> day of May 2017.

**PUBLIC UTILITY COMMISSION OF TEXAS**



**SUSAN E. GOODSON**

**ADMINISTRATIVE LAW JUDGE**

W2013

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**WATER UTILITY TARIFF**  
**Tariff Control Number: 47051**

Community Utility Company  
(Utility Name)

P. O. Box 58  
(Business Address)

Spring, Texas 78383  
(City, State, Zip Code)

(281) 444-7747  
(Area Code/Telephone)

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

10350

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 or public water systems:

Adams Oaks Section 1 & 2, Pinecrest, Sweetgum Forest: PWS#1700113  
Forest Manor Subdivision, Montgomery Terrace: PWS # 1010264  
Heathergate Estates, Heathergate Public Utility Company, Holiday: PWS # 1011302

**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 POLICIES .....	..... 4
SECTION 3.0 -- EXTENSION POLICY .....	.....10
SECTION 4.0 -- DROUGHT CONTINGENCY PLAN .....	..... 14

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

**Forest Manor Subdivision, Montgomery Terrace: PWS #1010264 & Heathergate Estates, Heathergate Public Utility Company, Holiday: PWS #1011302 only**

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"	\$34.63 (Includes 0 gallons)	\$2.09 per 1,000 gallons
1"	\$86.58	
1½"	\$173.15	
2"	\$277.04	
3"	\$519.04	
4"	\$865.75	

**Pass Through Fees:**

In addition to the gallonage charge, the City of Houston Groundwater Reduction Plan (GRP) Fee of **\$1.05 per 1,000 gallons** used will be charged to the customers of **Forest Manor and Heathergate Subdivisions only**. The pass through fees are adjusted for line loss. (Tariff Control No. 47051)

**Capital Improvement Surcharge:**

\$40.00 per month per connection for 180 months or project completion, whichever comes first. This fee is requested to collect sufficient revenues to pay for capital improvements mandated by the Texas Commission on Environmental Quality (TCEQ) and to bring the utility’s facilities into compliance with TCEQ minimum standards. This surcharge can be increased or decreased based on the amount necessary to make required PUC approved capital improvements, thirty days after notice of any change in the surcharge is sent to all affected customers and the filing of notice with the PUC as required by 30 TAC §24.21(h).

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

Cash X, Check X, Money Order X

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 TO REMIT FEE TO THE TCEQ.

Section 1.02 - Miscellaneous Fees

TAP FEE.....\$600.00

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.

**Tariff Control No. 47051**

**Forest Manor Subdivision, Montgomery Terrace: PWS #1010264 & Heathergate Estates, Heathergate Public Utility Company, Holiday: PWS #1011302 only**

SECTION 1.0 – RATE SCHEDULE (Continued)

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 ..... \$50.00

TRANSFER FEE..... \$35.00  
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 MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE..... \$30.00  
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.

**Forest Manor Subdivision, Montgomery Terrace: PWS #1010264 & Heathergate Estates, Heathergate Public Utility Company, Holiday: PWS #1011302 only**

SECTION 1.0 – RATE SCHEDULE (Continued)

PASS-THROUGH ADJUSTMENT CLAUSE:

The utility may pass on only to those customers served by a system subject to the jurisdiction of any Regional Water Authority and/or any Groundwater Reduction Plan, any increase or decrease in its Underground Water District Pumpage Fee or Purchased Water Fee, thirty days after noticing of any change to all affected customers and filing notice with the PUC as required by 30 TAC 24.21(L). The charge per customer shall be calculated as follows:

$(A \times B) / C + L [(A \times B) / C]$  = INCREASE OR DECREASE TO EXISTING GALLONAGE RATE

WHERE:

- A = UTILITY'S ANNUALIZED CHANGE IN COST OF WATER SUBJECTED TO DISTRICT'S FEE
- B = AVERAGE NUMBER OF GALLONS
- C = 1,000 GALLONS
- L = PERCENTAGE SYSTEM WIDE LINE LOSS FOR THE PROCEEDING 12 MONTHS, NOT TO EXCEED 15%

Forest Manor Subdivision, Montgomery Terrace: PWS #1010264 &  
Heathergate Estates, Heathergate Public Utility Company, Holiday: PWS  
#1011302 only

SECTION 1.0 – RATE SCHEDULE (Continued)

**PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE:**

Changes in fees imposed by any non-affiliated third party water supplier or underground water district having jurisdiction over the Utility shall be passed through to only the water system(s) affected by the increase or fee as an adjustment to the water gallonage charge according to the following formula:

$$AG = G + B/(1-L), \text{ where:}$$

- 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