



Control Number: 47067



Item Number: 3

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APPLICATION OF J&S WATER §
COMPANY, L.L.C. TO IMPLEMENT §
A PASS-THROUGH RATE CHANGE §

PUBLIC UTILITY COMMISSION
OF TEXAS

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PUBLIC UTILITY COMMISSION
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STAFF'S FINAL RECOMMENDATION

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest and files this Final Recommendation and would show the following:

I. Background

On April 14, 2017, J & S Water Company, L.L.C. (J&S) filed an application with the Public Utility Commission of Texas (Commission) to implement an adjustment of its pass-through gallonage charge pursuant to 16 Tex. Admin. Code §24.21(b)(2)(A)(vii) (TAC). The pass-through rate was effective May 1, 2017. On April 18, 2017, the Administrative Law Judge (ALJ) issued a notice setting May 5, 2017 as the deadline for Staff to file a recommendation on J&S application and notice. Thus, this recommendation is timely filed.

II. Recommendation

Staff has reviewed J&S's application and notice. As supported by the attached memorandum of Jonathan Ramirez of the Water Utilities Division, Staff finds that the application contains the information necessary to evaluate the application under 16 TAC § 24.21(b)(2). Additionally, Staff finds that the provided notice meets the requirements of 16 TAC § 24.21(b)(2)(E). Finally, Staff finds that the application meets the requirements for approval under 16 TAC Code § 24.21(b)(2)(A)(vii) and should be approved.

III. Conclusion

Staff recommends the issuance of an order deeming the application and notice sufficient and approving the pass-through rate change.


Dated: May 5, 2017

PUBLIC UTILITY COMMISSION
LEGAL DIVISION

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director

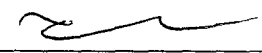
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DOCKET NO. 47067
CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on October 26, 2016 in accordance with 16 TAC § 22.74.



Landon J. Lill

PUC Interoffice Memorandum

To: Landon Lill, Attorney
Legal Division

Thru: Debi Loockerman, Financial Manager
Water Utilities Division

From: Jonathan Ramirez, Financial Analyst
Water Utilities Division

Date: May 2, 2017

Subject: **Tariff Control No. 47067; Application of J&S Water Company, L.L.C. to Implement a Pass-Through Rate Change**

On April 14, 2017, J & S Water Company, L.L.C. (J & S or Applicant), certificate of convenience and necessity (CCN) No. 12085, filed an application with the Public Utility Commission of Texas (Commission) to implement an adjustment of its pass-through gallonage charge pursuant to 16 Tex. Admin. Code §24.21(b)(2)(TAC). The pass-through adjustment reflects the increase in the water use for mandatory participation in the North Harris County Regional Water Authority's (NHCRWA) groundwater reduction plan (GRP). J & S is a participant, and listed the following subdivisions affected by the increase: Five Oaks (public water system (PWS) No. 1011496), Maple Leaf Gardens, (PWS No. 1011493), and Oakland Village, (PWS No. 1010049). The Applicant has also requested an amendment to the calculation of the pass-through rate based on 16 TAC §24.21 (b)(2)(A)(viii) which allows modification of the pass-through provision calculation in a tariff which is necessary for correct recovery of the actual charges from pass-through entities, including line loss.

The pass-through rate increase will be effective on May 1, 2017. Based on the documentation provided in the application, NHCRAW increased its gallonage fee by \$0.65 per 1,000 gallons per month. The Applicant used the new equation to change its currently approved pass-through rate of \$2.76 to \$3.41 which includes line loss of 15%. Staff has reviewed all the calculations, the notice, and the application and determined that the increase is correct and all notice requirements have been met.