



Control Number: 47161



Item Number: 13

Addendum StartPage: 0

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APPLICATION KERR COUNTY WATER §  
SYSTEMS, LLC FOR AUTHORITY TO §  
CHANGE RATES §

PUBLIC UTILITY COMMISSION  
OF TEXAS  
SEP 22 PM 1:57

**COMMISSION STAFF'S COMMENTS**

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and files these Comments in Response to Order No. 1. In support thereof, Staff shows the following:

**I. BACKGROUND**

On July 3, 2016, Kerr County Water Systems, LLC (KCWS) filed an application for a water rate/tariff change with an effective date of August 1, 2017. On July 1, 2017, KCWS mailed notice to customers. KCWS currently has approximately 78 connections. Order No. 3, filed on August 7, 2017 set an effective date of August 6, 2017 and set the deadline to reach 10% ratepayer protest threshold of November 6, 2017. This pleading is therefore timely filed.

**II. REQUEST TO SUSPEND EFFECTIVE DATE**

Under TWC § 13.1871(i) and 16 TAC § 24.28(c)(2), the Commission shall set an application filed under TWC § 13.1871 for hearing if it receives protests from the lesser of 1,000 or ten percent of the affected ratepayers during the first 90 days after the effective date of the rate change. KCWS's application affects approximately 78 ratepayers, and Staff has received 7 protests in this case at this time, which does not meet the protest threshold.

The Commission may suspend the effective date of a rate change for up to 265 days from the date the proposed rates would otherwise be effective for an applicant filed pursuant to Tex. Water Code 13.1871.<sup>1</sup> The effective date can be suspended at any time during the pendency of a proceeding, including after the date on which the proposed rates are otherwise effective.<sup>2</sup> Staff recommends that the effective date be suspended at this time due to the relatively large (73%) proposed increase above the current revenue requirement.<sup>3</sup>

<sup>1</sup> 16 Tex. Admin. Code § 24.26(a)(2) (TAC).

<sup>2</sup> 16 TAC § 24.26(f).

<sup>3</sup> Application at 1.

13

**III. CONCLUSION**

Staff respectfully requests the entry of an order consistent with the above recommendation.

Dated: September 22, 2017

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF  
TEXAS LEGAL DIVISION**

Margaret Uhlig Pemberton  
Division Director

Karen S. Hubbard  
Managing Attorney



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Alexander Petak  
State Bar No. 24088216  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326  
(512) 936-7377  
(512) 936-7268 (facsimile)  
Alexander.Petak@puc.texas.gov

**DOCKET NO. 47161  
CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record September 22, 2017, in accordance with 16 Texas Admin. Code § 22.74.



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Alexander Petak