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**PUC DOCKET NO. 47161  
SOAH DOCKET NO. 473-18-1228.WS**



**APPLICATION OF KERR COUNTY § PUBLIC UTILITY COMMISSION  
WATER SYSTEMS, LLC FOR §  
AUTHORITY TO CHANGE RATES § OF TEXAS**

**ORDER NO. 9  
ADMITTING EVIDENCE AND STRIKING  
CERTAIN PREVIOUSLY-ADMITTED EVIDENCE**

In this case, Kerr County Water Systems, LLC, seeks to change its water rates. The case was previously referred to the State Office of Administrative Hearings (SOAH). In SOAH Order No. 4 filed on January 17, 2019, the SOAH administrative law judge (ALJ) admitted evidence into the record of this proceeding and remanded the case to the Commission.

Since the remand, a proposed final order for this matter has twice been considered and rejected by the Commission, due to various discrepancies or insufficiencies of evidence. In an order filed on March 26, 2020, the Commission remanded this matter to Docket Management for further processing and to “ensure that the docket returns to the Commission with a complete evidentiary record and, as applicable, a revised proposed order.”

In Order No. 5 filed on June 3, 2020, the undersigned ALJ granted the parties’ joint motion and admitted supplemental evidence into the record. Thereafter, while preparing a proposed order in this matter, the ALJ detected erroneous and contradictory information contained in the admitted evidence, and expressed the opinion that certain, previously admitted evidence should be stricken and new evidence should be offered and admitted. Accordingly, the ALJ ordered the parties to file and move for admission of a complete set of evidence to support issuance of a final order in this matter.

On August 13, 2020, the parties moved for admission of a new set of evidence. In Order No. 7 filed on September 9, 2020, the ALJ denied the motion because it was unclear and the proffered evidence was contradictory and included irrelevant material. The ALJ again ordered the parties to file and move for admission of a complete, clearly identified, and relevant set of evidence to support issuance of a final order in this matter.

On September 30, 2020, the parties again moved for admission of a new set of evidence. The ALJ deferred ruling on the motion at that time because he identified a problem with the tariff

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proposed by the parties. In Order No. 8 filed on October 6, 2020, the ALJ directed the parties to clarify the specific issue of confusion caused by their proposed tariff. On October 20, 2020, the parties rectified the problem and offered a revised proposed tariff. Consistent with the parties' motion to admit evidence filed on September 30, 2020, as modified by the parties' clarification filed on October 20, 2020, the ALJ hereby admits the following evidence into the record of this proceeding:

- the second amended agreement filed on September 30, 2020;
- attachment B to the second amended agreement, which contains the revenue proof, Commission Staff schedules, and memoranda supporting the original cost, accumulated depreciation, and net plant in service agreed to by the parties, filed on September 30, 2020; and
- attachment A to the clarification in response to Order No. 8 and revised tariff, which is the revised proposed water tariff for Kerr County Water filed on October 20, 2020.

Additionally, in order to ensure that the evidentiary record is clear and non-contradictory, the ALJ hereby strikes from the evidentiary record of this case the following documents that were previously admitted into evidence:

- the unanimous agreement, including attachments, filed on January 16, 2019;
- the memoranda of Leila Guerrero, Emily Sears, and Jolie Mathis of the Commission's Water Utilities Division in support of the unanimous agreement filed on January 16, 2019;
- Commission Staff's report containing requested information and all attachments thereto filed on March 5, 2020 except: (a) the memorandum of Leila Guerrero (pages 3-4); (b) Attachment LG-1 (pages 9-10); and (c) Attachment LG-1 (page 26), filed on March 5, 2020;
- the memorandum of Debi Loockerman attached to the parties' joint response to Order No. 4 and supplemental motion to admit evidence filed on May 18, 2020; and

- the revised attachment LG-1 attached to the parties' joint response to Order No. 4 and supplemental motion to admit evidence filed on May 18, 2020.

Thus, in summary, the entire evidentiary record of this case now consists of the following:

- Kerry County Water's application filed on July 3, 2017, including proof of notice;
- the second amended agreement filed on September 30, 2020;
- attachment B to the second amended agreement, which contains the revenue proof, Commission Staff schedules, and memoranda supporting the original cost, accumulated depreciation, and net plant in service agreed to by the parties, filed on September 30, 2020; and
- attachment A to the clarification in response to Order No. 8 and revised tariff, which is the revised proposed water tariff for Kerr County Water filed on October 20, 2020.

**Signed at Austin, Texas the 21st day of October 2020.**

PUBLIC UTILITY COMMISSION OF TEXAS

  
HUNTER BURKHALTER  
CHIEF ADMINISTRATIVE LAW JUDGE