

Control Number: 47288



Item Number: 20

Addendum StartPage: 0

SOAH DOCKET NO. 473-17-5910.WS
DOCKET NO. 47288

RECEIVED

2017 SEP 12 PM 12:10
BEFORE THE

PUBLIC UTILITY COMMISSION
STATE OFFICE OF
FILING CLERK

RATEPAYERS' APPEAL OF THE
DECISION BY WEST WISE SPECIAL
UTILITY DISTRICT TO CHANGE
RATES

§
§
§
§
§

ADMINISTRATIVE HEARINGS

**WEST WISE SPECIAL UTILITY DISTRICT'S LIST OF ISSUES
IN RESPONSE TO ORDER OF REFERRAL**

West Wise Special Utility District files this List of Issues in Response to Order of Referral, which order was filed and served on West Wise Special Utility District on August 29, 2017. This List of Issues in Response to Order of Referral is timely filed.

I.
BACKGROUND

West Wise Special Utility District ("West Wise SUD") is a political subdivision, with an elected board of directors (the "Board"), which has original jurisdiction over the water rates charged to its retail customers. West Wise SUD is currently under an enforcement order by the Texas Commission on Environmental Quality ("TCEQ") which mandates that West Wise SUD upgrade its surface water treatment facilities to meet the latest drinking water standards. After exhaustive review of options, the Board determined that the most cost effective way to comply with the order was to construct a new water treatment plant at a new location. The Board diligently pursued that goal and secured funding for the project from the lowest cost provider of funds, the Texas Water Development Board. The Board commissioned a rate study to be performed to determine the impact of the construction of the new surface water treatment plant on its revenue requirements, and ultimately its rates. After considerable deliberation, on March 16, 2017, the Board adopted new retail water rates. On June 14, 2017, the ratepayers of West

Wise SUD filed a petition (“Petition”) with the Commission appealing the change in retail water rates which were adopted by West Wise SUD’s Board.

Order No. 1, issued on June 20, 2017, required Commission Staff, among other things, to file comments on the administrative completeness of the Petition. On August 7, 2017, Commission Staff filed its Recommendation on Administrative Completeness and recommended that the Petition be found administrative complete and the Petition be referred to the State Office of Administrative Hearings (“SOAH”). On August 29, 2017, the Commission issued an Order of Referral that referred this docket to SOAH. The Order of Referral stated that West Wise SUD, among others, shall file with the Commission a list of issues.

II.

LIST OF ISSUES TO BE ADDRESSED

1. Considering only the information available to the governing body, what are the just and reasonable rates for West Wise SUD that are sufficient, equitable, and consistent in application to each customer class and that are not unreasonably preferential, prejudicial, or discriminatory? TWC § 13.043(e) and (j) and 16 TAC § 24.41(e) and (i).

a. What is the appropriate methodology to determine just and reasonable rates for West Wise SUD?

b. What is the revenue requirement that would give West Wise SUD sufficient funds to provide adequate retail water service?

c. What is the appropriate allocation of the revenue to customer classes?

d. What is the appropriate design of rates for each class to recover West Wise SUD's revenue requirement?

2. What are the reasonable expenses incurred by West Wise SUD in this proceeding? TWC § 13.043(e) and 16 TAC § 24.41(e)(2).

a. Should the Commission allow recovery of these reasonable expenses?

b. If so, what is the appropriate recovery mechanism?

3. What is the appropriate effective date of the rates fixed by the Commission in this proceeding? TWC § 13.043(e) and 16 TAC § 24.41(e)(3).

4. If the Commission establishes rates different than the rates set by West Wise SUD, should the Commission order refunds or allow surcharges to recover lost revenues? If so, what is the appropriate amount and over what time period should the refund or surcharge be in place? TWC § 13.043(e) and 16 TAC § 24.41(e)(4).

III. **CONCLUSION**

West Wise SUD respectfully requests that the Commission adopted West Wise Special Utility District's list of issues and grant West Wise SUD such other relief to which it may be justly entitled.

Respectfully submitted,

JACKSON WALKER L.L.P.

By: 

Leonard Dougal - State Bar No. 06031400

Ali Abazari - State Bar No. 00796094

100 Congress, Suite 1100

Austin, Texas 78701

E: ldougal@jw.com

T: (512) 236-2233

F: (512) 391-2112

ATTORNEYS FOR WEST WISE SPECIAL
UTILITY DISTRICT

CERTIFICATE OF SERVICE

I hereby certify that on the 12th day of September, 2017, a true and correct copy of the foregoing document was served on the individuals listed below by hand delivery, email, facsimile or First Class Mail.

Sharon Boyette *[Ms. Boyette has agreed to receive service of documents
in this proceeding via Email]*
103 CR 1641

Chico, Texas 76431

T: (940) 644-6664

E: Texasbayoulady@att.net

*Representative for West Wise S.U.D. Customer and
Park Acres Property Owner*

Ashley Nwonuma

Attorney-Legal Division

Public Utility Commission of Texas

1701 North Congress Avenue

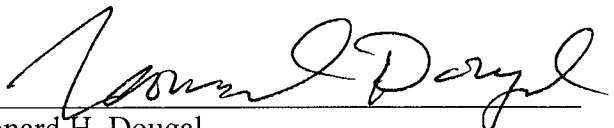
P. O. Box 13326

Austin, Texas 78711-3326

T: (512) 936-7163

F: (512) 936-7268

E: ashley.nwonuma@puc.texas.gov


Leonard H. Dougal