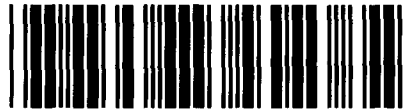




Control Number: 47409



Item Number: 3

Addendum StartPage: 0

**TARIFF CONTROL NO. 47409**

**APPLICATION OF WOODLAND  
HILLS WATER, LLC TO  
IMPLEMENT A PASS-THROUGH  
CHANGE**

§  
§  
§  
§

**PUBLIC UTILITY COMMISSION  
OF TEXAS**

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FILED

**COMMISSION STAFF'S RECOMMENDATION**

**COMES NOW** the Staff of the Public Utility Commission of Texas (Staff), representing the public interest and files this Recommendation. In Support thereof, Staff shows the following:

**I. BACKGROUND**

On July 17, 2017, Woodland Hills Water, LLC (Woodland) filed an application to implement a pass-through rate change in its tariff under Water Certificate of Convenience and Necessity (CCN) No. 12388. Woodland seeks to implement the pass-through provision as a result of an increase in charges from the San Jacinto River Authority (SJRA) for participation in SJRA's ground water reduction program. The rate increase will affect the Champion Lake Estates subdivision. The requested effective date for the pass-through rate change is September 1, 2017.

On July 18, 2017, the Administrative Law Judge (ALJ) issued a notice requiring Staff to file a supplemental recommendation on the sufficiency of the application on or before August 7, 2017. This pleading is therefore timely filed.

**II. STAFF'S RECOMMENDATION**

Staff has reviewed Woodland's application and supplemental notice, and as supported by the attached memorandum of Emily Sears of the Water Utilities Division, Staff recommends the application be deemed sufficient and that the pass-through application be approved as filed. Staff also recommends that Woodland be provided a copy of the approved tariff, which has been attached to this pleading.

**III. CONCLUSION**

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

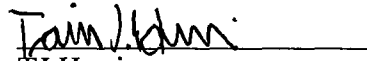
Dated: July 26, 2017

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF  
TEXAS  
LEGAL DIVISION**

Margaret Uhlig Pemberton  
Division Director

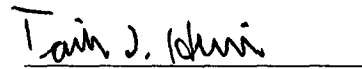
Stephen Mack  
Managing Attorney

  
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TJ.Harris@puc.texas.gov

**TARIFF CONTROL NO. 47409**

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on July 26, 2017 in accordance with 16 TAC § 22.74.

  
TJ Harris

# **Public Utility Commission of Texas**

## **Memorandum**

**To:** TJ Harris, Attorney  
Legal Division

**Thru:** Tammy Benter, Director  
Water Utilities Division

**From:** Emily Sears, Financial Analyst  
Water Utility Regulation Division

**Date:** July 26, 2017

**Subject:** **Tariff Control No. 47409;** *Application of Woodland Hills Water, LLC to Implement a Pass-Through Rate Change for Water CCN No. 12388*

On July 17, 2017 Woodland Hills Water, LLC (Woodland), Certificate of Convenience and Necessity (CCN) No. 12388, filed an application with the Public Utility Commission of Texas (PUC) to implement an adjustment of its pass-through gallonage charge pursuant to 16 Tex. Admin. Code §24.21 (TAC). The pass-through adjustment is for San Jacinto River Authority (SJRA) groundwater reduction plan (GRP). The pass-through rate increase will be effective on September 1, 2017.

Woodland also requested to change its formula on the tariff for its pass-through to the following:

$$AG = G / (1 - L)$$

Where:

AG = adjusted gallonage charge, rounded to the nearest one cent;

G = gallonage charge of source supplier

L = water line loss for the preceding 12 months, not to exceed 0.15 (15%).

Based on the calculations and the above formula, the new pass-through rate adjustment gallonage fee is increased to \$2.96 per 1,000 gallons from \$2.76 per 1,000 gallons. This increase includes 10.95% line loss.

Staff recommends that the commission:

- 1) Deem the application sufficient for filing;
- 2) Approve the pass-through gallonage rate increase requested in the application;

- 3) Approve the new pass-through formula requested in the application; and
- 4) Provide a copy of the approved tariff to the Applicant (attached).



## WATER UTILITY TARIFF

### Tariff Control Number: 47409

Woodland Hills Water, LLC  
(Utility Name)

P.O. Box 2778  
(Business Address)

Spring, Texas 77383  
(City, State, Zip Code)

281/355-1312  
(Area Code/Telephone)

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

12388

This tariff is effective in the following counties:

Liberty and Montgomery

This tariff is effective in the following cities or unincorporated towns (if any):

Small area in the Kenefick City limits

**The rates set or approved by the city for the systems entirely within its corporate boundary are not presented in this tariff. Those rates are not under the original jurisdiction of the PUC and must be obtained from the city or utility.**

This tariff is effective in the following subdivisions and public water systems:

See attached list

#### 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 .....	5
SECTION 3.0 -- EXTENSION POLICY .....	10

APPENDIX A - DROUGHT CONTINGENCY PLAN  
APPENDIX B - SAMPLE SERVICE AGREEMENT

This tariff is effective in the following subdivisions or systems:

PWS #	Subdivision/Facility Name	County
1460163	Cedar Creek Water System	Liberty
1460118	Fairfield Estates	Liberty
1460164	Indian Springs Water System	Liberty
1460098	Lakeview Water System	Liberty
1460101	Meadow Glen Crystal Springs	Liberty
1460149	Remington Place	Liberty
1700615	Settlers Crossing	Montgomery
1460148	Southampton Subdivision	Liberty
1700621	Texaba Subdivision	Montgomery
1460142	Walnut Creek Subdivisions	Liberty
1460120	Woodland Hills Water Company	Liberty
1460093	Woodridge Park Subdivision	Liberty
1460091	Woodway Subdivision	Liberty

## 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"	<u>\$32.40</u> (Includes 0 gallons)	<u>\$2.96</u> per 1000 gallons, over the minimum*
1"	<u>\$81.00</u>	
1½"	<u>\$162.00</u>	
2"	<u>\$259.20</u>	
3"	<u>\$486.00</u>	
4"	<u>\$810.00</u>	

\*Pass Through Fee:

San Jacinto River Authority (SJRA) Groundwater Reduction Plan (GRP) Fee for

**Texaba Subdivision customers only.** ..... \$2.96 per 1,000 gallons

The \$2.76 per 1,000 gallons rate is an adjusted amount based on the rate charged by SJRA (\$2.64 per 1,000 gallons) to the utility, and the utility's water loss of 10.95%. It is calculated using the formula found in SECTION 1.0 RATE SCHEDULE under the "PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE". (*Tariff Control No. 47409*)

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

Cash X, Check X, Money Order X, Credit Card     , Other (specify)     

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 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.

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.

**Tariff Control No. 47409**



## SECTION 1.0 -- RATE SCHEDULE (Continued)

## 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) ..... \$5.00

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) ..... \$50.00COMMERCIAL & NON-RESIDENTIAL DEPOSIT ..... 1/6TH OF ESTIMATED ANNUAL BILL

## GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE

WHEN AUTHORIZED IN WRITING BY PUC AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING [16 TAC 24.21(b)(2)(F)]

## 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.

SECTION 1.0 -- RATE SCHEDULE (Continued)

**PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH 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 (30) days after noticing of any change to all effected customers and filing notice with the PUC as required by 16 TAC 24.21 (2). The change per customer shall be calculated as follows:

$$AG = G / (1 - L)$$

Where:

AG = Adjusted gallonage charge, rounded to the nearest one cent

G = gallonage charge by the source supplier

L = water line loss for the preceding 12 months not to exceed 0.15 (15%)