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SOAH DOCKET NO. 473-18-0847.WS  
PUC DOCKET NO. 47662

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PETITION OF TEXAS PARKS AND  
WILDLIFE DEPARTMENT  
APPEALING A DECISION BY CITY OF  
GOLIAD TO CHANGE WATER AND  
SEWER RATES

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PUBLIC UTILITY COMMISSION  
BEFORE THE STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

**COMMISSION STAFF'S LIST OF ISSUES**

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

**I. BACKGROUND**

On October 2, 2017, the Texas Parks and Wildlife Department (Petitioner) filed a Petition with the Commission pursuant to Tex. Water Code § 13.043(b)(3) (TWC) and Chapter 24, Subchapter C of Title 16 of the Texas Administrative Code (TAC) for the review of a decision by the City of Goliad (Goliad) to change retail rates. The Petition challenges Goliad's increases in retail rates effective August 2017. On October 3, 2017, Commission Advising and Docket Management (CADM) issued Order No. 1, directing Staff to file a recommendation on the administrative completeness of the application, and for both Petitioner and Staff to submit a proposed procedural schedule by November 2, 2017. On November 6, 2017, CADM issued an Order of Referral referring the matter to the State Office of Administrative Hearings (SOAH) and directing the parties to file a list of issues to be addressed in this docket by November 22, 2017. On November 8, 2017, CADM issued an Amended Order of Referral, amending the language in the prior Order of Referral regarding the open meeting date in which the Commission will consider and possibly adopt a preliminary order in this case. On November 10, 2017, the SOAH Administrative Law Judge (ALJ) issued Order No. 1, requiring parties to confer and submit a proposed procedural schedule by December 18, 2017. In response to the November 8, 2017 Amended Order of Referral, this pleading is timely filed.

## **II. LIST OF ISSUES TO BE ADDRESSED**

Staff has identified the following issues to be addressed in this proceeding:

1. Did the petition appealing the rate change by Goliad follow the requirements of TWC § 13.043(b) and (b-1); TAC § 24.41(b), (c), and (d); and TAC § 24.42(a) and (b)?
  - a. Was the petition filed within 90 days after the effective date of the rate change? TWC § 13.043(c) and TAC § 24.41(b).
  - b. What number of ratepayers had their rates changed? TWC § 13.043(c) and (d) and TWC § 24.41(b), (c), and (d).
  - c. Did the lesser of 10,000 or 10% of those ratepayers file valid protests to Goliad's rate change? TWC § 13.043(c) and TAC § 24.41(b).
2. Considering only the information available to Goliad at the time of the approval of the rate change, what are the just and reasonable rates for Goliad 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 TAC § 24.41(e) and (i).
  - a. What is the appropriate methodology to determine just and reasonable rates for Goliad's out-of-city customers?
  - b. What is the revenue requirement that would give Goliad 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 Goliad's revenue requirement?
3. What are the reasonable expenses incurred by Goliad in this proceeding? TWC § 13.043(e) and TAC § 24.41(e)(2).
  - a. Should the Commission allow recovery of these reasonable expenses?

- b. If so, what is the appropriate recovery mechanism?
4. What is the appropriate effective date of the rates fixed by the Commission in this proceeding? TWC § 13.043(e) and TAC § 24.41(e)(3).
5. If the Commission establishes rates different than the rates set by Goliad, 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 TAC § 24.41(e)(4).

This list of issues is not intended to be exhaustive. Staff recommends that the parties and the ALJ are free to raise and address any issues relevant in this docket that they deem necessary, subject to any limitations imposed by the ALJ or by the Commission in future orders issued in this docket. Staff further recommends that the Commission reserves the right to identify and provide to the ALJ in the future any additional issues or areas that must be addressed, as permitted under Tex. Gov't Code Ann. § 2003.049(e).

### **III. LIST OF ISSUES NOT TO BE ADDRESSED**

At this time, Staff has not identified any issues not to be addressed.

**Dated: November 21, 2017**

Respectfully Submitted,

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**CERTIFICATE OF SERVICE**

I, Rachelle N. Robles, attorney for the Public Utility Commission of Texas, certify that a copy of this document was served on all parties of record on November 21, 2017, in accordance with the requirements of 16 Tex. Admin. Code § 22.74.

  
Rachelle N. Robles