

Control Number: 48031



Item Number: 4

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Chuck Bell Water Systems L.L.C.

P.O.Box 731 Crowley, Texas 76036 / Fax (817) 426-4094 Mob. (817)980-6394 2018 KAR -5 AM 9: 47

PUD-IN SIL HO OLERK

March 1, 2018

48031

TO: PUC Staffperson FROM: Chuck Bell Chuck Bell Water Systems L.L.C. Re: Sample Surcharge Passthru

This letter is to inform you that CBWS has recently paid for water testing that was done in accordance with the Safe Drinking Water Act. As per my approved tariff I am requesting a sample surcharge passthru for the following systems. Bell Manor PWS# 1260080, Rock Creek PWS# 1260082, Buffalo Creek PWS# 1260084, Sandersview PWS 1260086, Crowley II Acres PWS 1260012, John Dame PWS# 1260090, and Martin Creek PWS# 1260122. Charges for DBP-2 sampling. The charges listed below were previously disallowed on Tariff Control No. 47999. After a phone conversation with Ms. Kathryn Eiland, she informed me that all these tests for all these subdivisions are now annual testing. Due to these being annual tests it is assumed that the charges are compensated thru a major tariff change, when in fact the last major tariff change CBWS presented was in 2011 long before these tests were deemed to be annual tests. CBWS has rolled the pricing of Nitrate testing into the last major tariff change but nothing else, since CBWS has not filed a major tariff change and only (2) CPI minor adjustments. since receiving a long delayed approval of the 2011 major tariff filing. CBWS is a Class C utility (small) and not required to file a major rate case until 2020. CBWS is a small system and these funds constitute a sizable amount to have to be absorbed with no relief. CBWS is requesting these charges be allowed since the utility is not being compensated thru any other avenues.

The charges for each subdivision are broken down as follows:

BELL MANOR \$55.12 VOC /23 CONNS= \$2.40/ CONN for (1) MONTHS \$55.12 VOC /38 CONNS= \$1.45/ CONN FOR(1) MONTHS **ROCK CREEK** BUFFALO CREEK \$55.12 VOC /48 CONNS= \$1.15 / CONN FOR (1) MONTHS SANDERSVIEW \$522.94 Minerals, Metals, SOC and VOC/29 CONNS \$18.03/ CONN FOR (1) MONTH CROWLEY II ACRES \$110.24 VOC / 96 CONNS= \$1.15 / CONN FOR (1) MONTH \$110.24 VOC / 50 CONNS= \$2.20/ CONN FOR (1) MONTHS JOHN DAME MARTIN CREEK \$55.12 VOC /24 CONNS= \$2.30/ CONN FOR (1) MONTHS BEAR CREEK \$0.00/CONN FOR (0) MONTHS

CBWS will begin these charges on the May billing cycle for a period of one month(s) only on all affected subdivisions. Thank you for your assistance in this matter and if you need to contact me my # is (817) 980-6394 or at mstrgolfer@sbcglobal.net . enclosed are copies of Approved Tariff No.47999 .

CHUCK BELL CHUCK BELL WATER SYSTEMS LL.C.

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Public Utility Commission of Texas

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Interoffice Memorandum

- TO: Joshua Barron, Attorney Legal Division
- THRU: Debi Loockerman, Financial Manager Water Utility Regulation Division
- FROM: Kathryn Eiland, Financial Analyst Water Utility Regulation Division

DATE: February 9, 2018

SUBJECT: Tariff Control No. 47999, Application of Chuck Bell Water Systems LLC for Approval of a Sampling Fee Surcharge

On January 30, 2018, Chuck Bell Water Systems L.L.C. (Applicant), Certificate of Convenience and Necessity (CCN) No. 12190, filed an application for a sampling fee surcharge to affected customers in the following subdivisions: Bell Manor, Rock Creek, Buffalo Creek, Sandersview, Crowley II Acres, John Dame, and Martin Creek.

Pursuant to 16 Texas Administrative Code § 24.21(b)(2)(G)(ii), if authorized by the commission or the municipality exercising original jurisdiction over the utility, a surcharge to recover the actual increase in costs to the utility may be collected over a specifically authorized time period without being listed on the approved tariff for sampling fees not already recovered by rates.

Staff notes that this application included the cost of certain water sampling which are already included in the current rates. These costs are listed on the invoices as *Total Nitrate, Minerals, Metals and Volatile Organic Chemicals* testing and should be excluded from the amount of surcharge. Also, *Synthetic Organics Contaminants* for Sandersview system should be excluded.

Based upon review of the information submitted with the application, Staff recommends the following:

A) Approval of the sampling fee surcharge application authorizing the Applicant to collect the following fees as modified by Staff to account for the disallowed costs described above:

<u>Subdivision</u>	Requested	Disallowed	Tests	Staff Total	Connection Count	Per connection charge for (1) month
Bell Manor	\$314.28	\$55.12	VOC*	\$259.16	23	<u>\$11.27</u>
Rock Creek	\$314.28	\$55.12	VOC*	\$259.16	<u>38</u>	\$6.82
Buffalo Creek	<u>\$314.28</u>	\$55.12	VOC*	\$259.16	48	\$5.40

Summary of Staff Recommended Surcharges

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Sandersview	<u>\$576.69</u>	<u>\$522.94</u>	Minerals, VOC*, SOC**, metals	<u>\$53.75</u>	<u>29</u>	<u>\$1.85</u>
Crowley II Acres	\$628.56	\$110.24	VOC*	\$518.32	<u>96</u>	\$5.40
John Dame	\$628.56	\$110.24	VOC*	\$518.32	50	\$10.37
Martin Creek	\$314.28	\$55.12	VOC*	\$259.16	24	\$10.80

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Volatile Organic Chemicals

** Synthetic Organic Contaminants

B) The first bill that the Applicant sends out that includes the surcharge should include a short statement as follows:

"A sampling surcharge has been approved by the Public Utility Commission of Texas (PUC) to cover sampling fees incurred by the utility and required by the Safe Drinking Water Act."; and

C) The Commission's order should include language noting that the Applicant is not authorized to collect more than the total approved amounts stated in the table included in paragraph (A) above.