



Control Number: 48051



Item Number: 12

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Chairman
Arthur C. D'Andrea
Commissioner
Shelly Botkin
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Governor

2018 JUN 14 PM 1:07
PUBLIC UTILITY COMMISSION
CLERK

Public Utility Commission of Texas

To: Jeff Eastman
Quadvest, L.P.
26926 FM 2978
Magnolia, TX 77354

Commission Staff – Water Utility Regulation Division
Commission Staff – Legal Division

Re: Tariff Control No. 48051 – *Application of Quadvest, L.P. for a Pass-Through Rate Change*

NOTICE OF APPROVAL

This Notice addresses Quadvest, L.P.'s application for a pass-through rate change due to an increase in well pumpage fees imposed on the utility by the North Harris County Regional Water Authority (NHCRWA). NHCRWA's rate increase from \$3.32 per thousand gallons to \$3.56 applies to the Lakes of Fairhaven subdivision and took effect on April 19, 2018.

On May 25, 2018, Commission Staff recommended that the administrative law judge (ALJ) deem the supplemented application and revised notice sufficient. The ALJ deems the supplemented application and revised notice sufficient.

In addition, Commission Staff recommended the Commission approve a pass-through gallonage rate of \$3.56 per 1,000 gallons of groundwater. Accordingly, the Commission approves the supplemented application to pass-through a rate increase of \$3.56 per 1,000 gallons to Quadvest customers in the Lakes of Fairhaven subdivision. The revised tariff pages provided by Commission Staff are attached to this Notice.

Signed at Austin, Texas the 14TH day of June 2018.

PUBLIC UTILITY COMMISSION OF TEXAS

Handwritten signature of Gabriel P. Soto in black ink.

GABRIEL P. SOTO
ADMINISTRATIVE LAW JUDGE

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WATER UTILITY TARIFF
Tariff Control Numbers: 48051 and 48052

Quadvest, L.P.
(Utility Name)

26926 FM 2978
(Business Address)

Magnolia, Texas 77354
(City, State, Zip Code)

281/356-5347
(Area Code Telephone)

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

11612

This tariff is effective in the following counties:

Aransas, Brazoria, Fort Bend, Harris, Jackson, Liberty, Matagorda, Montgomery, Walker and Waller

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

Richmond (portion of Bridlewood Estates only - same rates)

This tariff is effective in the following subdivisions or systems:

See attached chart.

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):

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APPENDIX A - DROUGHT CONTINGENCY PLAN
APPENDIX B - SAMPLE SERVICE AGREEMENT
APPENDIX C - APPLICATION FOR SERVICE

<i>QUADVEST LP</i>			
SUBDIVISION	PWS ID NUMBER	COUNTY	SUBSIDENCE DISTRICT
Bauer Landing	1013526	Harris	NHCRWA
Bayer Utility (Old Town Spring)	1010212	Harris	NHCRWA
Bella Vista	1460175	Liberty	No Subsidence
Benders Landing	1700678	Montgomery	SJRA
Benders Landing Estates	1700678	Montgomery	SJRA
Brazos Lakes	0790363	Fort Bend	NFBWA
Bridlewood Estates	0790350	Fort Bend	City of Rosenberg
Caddo Village	1700473	Montgomery	SJRA
Camino Real Sections	1460175	Liberty	No Subsidence
Campwood	1700624	Montgomery	SJRA
Canterbury Ranch	1700624	Montgomery	SJRA
Cape Shores	1200044	Jackson	No Subsidence
Chenango Ranch	0200656	Brazoria	Brazoria GWD
Clear Creek Forest	1700576	Montgomery	SJRA
Creekside Village	1700742	Montgomery	SJRA
Decker Oaks Estates	1700605	Montgomery	SJRA
Estates of Clear Creek	1700576	Montgomery	SJRA
Freeman Ranch	2370123	Waller	Bluebonnet GWD
Grande San Jacinto	1460179	Liberty	No Subsidence
Indigo Lake Estates	1700576	Montgomery	SJRA
Jacobs Reserve	1700609	Montgomery	SJRA
Lake House*	2370111	Waller	Fort Bend
Lake Pointe Estates*	0790350	Fort Bend	NFBWA
Lake Windcrest	1700624	Montgomery	SJRA
Lakes of Fairhaven*	1013288	Harris	NHCRWA
Lakes of Magnolia	1700736	Montgomery	SJRA
Live Oak Landing	1610129	Matagorda	No Subsidence
Lone Star Ranch	1700655	Montgomery	SJRA
Magnolia Reserve	1700864	Montgomery	No Subsidence
McCall Sound	1700763	Montgomery	SJRA
Montgomery Trace	1700577	Montgomery	SJRA
Mostyn Manor	1700669	Montgomery	SJRA
Northerest Ranch	1700623	Montgomery	SJRA
Oaks of Sun creek	200640	Brazoria	Brazoria GWD
Old Town Spring	1010212	Harris	NHCRWA
Rancho San Vicente	1460178	Liberty	No Subsidence
Red Oak Ranch	1700609	Montgomery	SJRA
Rocky Creek	1013393	Harris	WHCRWA
Sawmill Estates	1700576	Montgomery	SJRA
Sendera Ranch	1700577	Montgomery	SJRA

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Shaw Acres	1013468	Harris	NHCRWA
Sierra Woods	1700624	Montgomery	SJRA
Sonoma Ridge	1700763	Montgomery	SJRA
Stonecrest Ranch	1700611	Montgomery	SJRA
Summerset Estates	1700655	Montgomery	SJRA
Suncreek Estates	0200640	Brazoria	Brazoria GWD
Suncreek Ranch	0200616	Brazoria	Brazoria GWD
Sunrise Bay	1200037	Jackson	No Subsidence
Sunset Bay	0040055	Aransas	No Subsidence
Telge Terrace	1011805	Harris	Harris Galv. Sub.
Texas Grand Ranch	2360088	Walker	Bluebonnet GWD
The Colony Intercontinental	1011806	Harris	Harris Galv. Sub.
Timberdale	1011810	Harris	Harris Galv. Sub.
Vaquero River Estates	1610129	Matagorda	No Subsidence
Villa Nueva	1460175	Liberty	No Subsidence
Village of Decker Oaks	1700605	Montgomery	SJRA
Waterstone Estates	1013389	Harris	NHCRWA
Waypoint Landing	1610137	Matagorda	No Subsidence
Westwood	2370042	Waller	Bluebonnet GWD
Winderest Farms	1700577	Montgomery	SJRA
Yesterdays Crossing	1700758	Montgomery	No Subsidence

*Lake House, Lake Point Estates and Lakes of Fairhaven subdivisions have separate tariff pages.

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 will have to be obtained from the city or utility.

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonage Charge</u>
5/8" or 3/4"	<u>\$28.75</u> (includes 0 gallons)	<u>\$1.75</u> per 1000 gallons for the first 10,000 gallons
1"	<u>\$71.88</u>	<u>\$2.00</u> per 1,000 gallons from 10,001 to 20,000 gallons
1 1/2"	<u>\$143.75</u>	<u>\$2.25</u> per 1,000 gallons from 20,001 to 30,000 gallons
2"	<u>\$230.00</u>	<u>\$2.93</u> per 1,000 gallons thereafter
3"	<u>\$431.25</u>	
4"	<u>\$718.75</u>	
6"	<u>\$1,437.50</u>	
8"	<u>\$2,300.00</u>	
10"	<u>\$3,306.25</u>	
12"	<u>\$6,181.25</u>	

An additional pass through gallonage charge per 1,000 gallons of water will be added for fees imposed by any non-affiliated third party water supplier or underground water district having jurisdiction over the utility. Bluebonnet GRP (BGCD), Brazoria GRP (BCGCD), City of Rosenberg GRP (CR), North Fort Bend GRP (NFBWA), West Harris County Regional Water Authority (WHCRWA), Harris-Galveston Subsidence District (HGSD), North Harris County Regional Water Authority (NHCRWA) San Jacinto River Authority GRP (SJRA) and Shaw Acres. Each pass through gallonage charge is represented in the table below. The following chart excludes the Lake Point Estates and Lakes of Fairhaven systems which have separate tariff pages. SEE PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE.

	BGCD	BCGCD	CR	HCSD	WHCRWA	NFBWA	NHCRWA	SJRA	Shaw Acres
Rate per thousand gallons	\$0.07	\$0.04	\$2.27	\$0.02	\$3.01	\$3.86	\$4.30	\$2.88	\$3.45

Tariff Control No. 48041

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

Cash X, Check X, Money Order X, Credit Card X, Other (specify) Bank Draft
 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 THE FEE TO THE ICEQ.

Section 1.02 - Miscellaneous Fees

TAP FEE.....\$810.00
 TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 5/8" x 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE.....\$910.00
 TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD 3/4" and 1" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE (Large meter).....Actual Cost
 TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.

Tariff Control Nos. 48051 and 48052

SECTION 1.0 -- RATE SCHEDULE (CONTINUED)

LAP FEE (Unique Costs).....Actual Cost
 FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OF INSIDE A SUBDIVISION IS A UNIQUE COST. UNIQUE COST WILL BE DETERMINED ON A CASE BY CASE BASIS

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) Nonpayment of bill (Maximum \$25.00)\$25.00
- b) Customer's request that service be disconnected\$50.00
 OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF

SEASONAL RECONNECTION FEE:

BASE RATE TIMES NUMBER OF MONTHS OFF THE SYSTEM NOT TO EXCEED SIX MONTHS WHEN LEAVE AND RETURN WITHIN A TWELVE MONTH PERIOD

TRANSFER FEE \$45.00
 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) 10%
 PENALTIES 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 \$25.00
 RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50) \$50.00

COMMERCIAL & NON-RESIDENTIAL DEPOSIT 1/6TH OF ESTIMATED ANNUAL BILL

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

METER RELOCATION FEE Actual Cost to Relocate the existing Meter
 THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS RELOCATION OF AN EXISTING METER

METER CONVERSION FEE Actual Cost to Convert the existing Meter
 THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS CHANGE OF SIZE OF AN EXISTING METER OR CHANGE IS REQUIRED BY MATERIAL CHANGE IN CUSTOMER'S SERVICE DEMAND

ILLEGAL RECONNECTION, LOCK REMOVAL OR DAMAGE FEE \$100.00
 THIS FEE MAY BE CHARGED TO A DISCONNECTED CUSTOMER FOR DAMAGE CAUSED BY CUSTOMER'S ATTEMPT TO RESTORE WATER SERVICE BY CUTTING OR BREAKING LOCK, REMOVAL OR BYPASS OF METER

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 IAC 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)

TEMPORARY WATER RATE:

Unless otherwise superseded by PUC order or rule, if the Utility is ordered by a court or government body of competent jurisdiction to reduce its pumpage, production or water sales, the Utility shall be authorized to increase its approved gallonage charge according to the formula:

$$TGC = \frac{cgc + (pr)(cgc)(r)}{(1.0-r)}$$

Where:

TGC = temporary gallonage charge

cgc = current gallonage charge

r = water use reduction expressed as a decimal fraction (the pumping restriction)

pr = percentage of revenues to be recovered expressed as a decimal fraction, for this tariff pr shall equal 0.5

To implement the Temporary Water Rate, the Utility must comply with all notice and other requirements of 16 IAC § 24.21(i).

PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE:

Changes in fees imposed by any non-affiliated third party water supplier or underground water district having jurisdiction over the Utility shall be passed through as an adjustment to the water gallonage charge according to the following formula:

WPC = (E + (AP-AC))/(JC x AU). Where:

WPC = Water pass-through gallonage charge per 1,000 gallons, rounded to the nearest cent

E = Estimated sum of upcoming 12 months of purchase water, groundwater conservation district costs, and fees

AP = Actual payments by utility for prior to 12 months for purchase water, district costs and fees

AC = Actual collections by utility in prior 12 months from water pass-through gallonage charge

JC = Year end customer connections

AU = Average annual usage per connection, in 1,000 gallons from most recent year

The WPC must be true-up and adjusted every twelve months.

To implement, all notice requirements must be met. The utility may begin to charge the new filed WPC on the proposed effective date in the notice. Implementation of this WPC adjustment provision shall be governed by 16 IAC § 24.21(h).

With each annual WPC adjustment, the utility must file a true-up report that shows the calculation for the next 12 month WPC reflected in the notice. The report shall contain up to five years of data, as available, showing the annual and accumulated difference between WPC amounts collected from customers and amounts actually paid to the entities whose charges are included in the WPC.

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonage Charge</u>
5/8"	\$17.85 (Includes 0 gallons)	\$1.50 per 1000 gallons. Residential
3/4"	\$26.80	\$2.00 per 1000 gallons. Non-Residential
1"	\$44.65	
1½"	\$89.25	
2"	\$142.80	
3"	\$267.75	
4"	\$535.50	

PLUS:

Pass Through Fees:

North Harris County Regional Water Authority (NHCRWA) for
Lakes of Fairhaven..... \$3.56 per 1,000 gallons
(Tariff Control No. 48051)

North Fort Bend Water Authority (NFBWA) for
Lake Point Estates..... \$3.35 per 1,000 gallons
(Tariff Control No. 48052)

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 \$100 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

REGULATORY ASSESSMENT 1.0%
PLC RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL AND TO REMIT THE FEES TO THE ICLO.

Section 1.02 - Miscellaneous Fees

TAP FEE..... \$500.00
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.

SECTION 1.0 – RATE SCHEDULE (Continued)

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
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

METER CONVERSION FEE... .. Actual Cost to Convert the existing Meter
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS CHANGE OF SIZE OF AN EXISTING METER OR CHANGE IS REQUIRED BY MATERIAL CHANGE IN CUSTOMER'S SERVICE DEMAND

ILLEGAL RECONNECTION, LOCK REMOVAL OR DAMAGE FEE \$100.00
THIS FEE MAY BE CHARGED TO A DISCONNECTED CUSTOMER FOR DAMAGE CAUSED BY CUSTOMER'S ATTEMPT TO RESTORE WATER SERVICE BY CUTTING OR BREAKING LOCK REMOVAL OR BYPASS OF METER

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 \$40.00

TRANSFER FEE \$40.00
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) 10%
CUSTOMERS 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 \$35.00
RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50) \$50.00

COMMERCIAL & NON-RESIDENTIAL DEPOSIT 1/6 TH OF ESTIMATED ANNUAL BILL

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE
WHEN AUTHORIZED IN WRITING BY ICEQ AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [16 FAC 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)

PASS THROUGH PROVISION:

For utilities subject to changes in cost imposed by any non-affiliated provider of purchased water or sewer or a groundwater conservation district having jurisdiction over the Utility, these increases (decreases) shall be passed through as an adjustment to the gallonage charge according to the formula.

$AG = G (1-L)$. Where:

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

G = supplier or district approved gallonage charge per 1,000 gallons

L = water or sewer line loss from preceding 12 months, not to exceed 0.15 (15%)