



Control Number: 48051



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DOCKET NO. 48051

APPLICATION OF QUADVEST, L.P.
FOR A PASS-THROUGH RATE
CHANGE

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COMMISSION STAFF'S RECOMMENDATION

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

I. BACKGROUND

On February 12, 2018, Quadvest, L.P. (Quadvest) filed an application for a minor change to its tariff under water Certificate of Convenience and Necessity No. 11612. Quadvest seeks to increase its pass-through rate from \$3.32 to \$3.35 per 1,000 gallons as a result of an increase to the well pumpage fees charged by North Harris County Regional Authority. The rate increase will apply to the Lakes of Fairhaven subdivision and will take effect on April 19, 2018. Quadvest filed a revised notice to customers on February 20, 2018.¹

Order No. 1, issued on February 15, 2018, directed Staff to file a recommendation on Quadvest's application, address notice requirements, and propose a procedural schedule, if necessary, by March 5, 2018. Therefore, this pleading is timely filed.

II. STAFF'S RECOMMENDATION

Staff has reviewed Quadvest's application and revised notice and, as supported by the attached memorandum of Andrew Novak of the Commission's Water Utility Regulation Division, recommends that it be found administratively incomplete. Specifically, Staff has determined that the application does not include all of the information required by 16 Texas Administrative Code

¹ Staff notes that Quadvest has filed a separate application for another pass-through rate change in Docket No. 48052. On February 20, 2018, Quadvest filed a Pass Thru Customer Letter in both Docket No. 48052 and this docket. Staff notes that due to a clerical error, the Pass Thru Customer Letters were uploaded to the wrong dockets. Accordingly, AIS Item No. 3 in Docket No. 48052 belongs in this docket and vice versa.

(TAC) § 24.21(b)(2)(F)(i), and the notice sent to customers does not include an explanation of the change in fees charged to Quadvest as required by 16 TAC § 24.21(b)(2)(F)(ii)(V).

III. PROPOSED PROCEDURAL SCHEDULE

Staff proposes the following procedural schedule:

Event	Date
Deadline for Quadvest to cure deficiencies in the application and provide proof of revised notice to customers	April 2, 2018
Deadline for Staff's supplemental recommendation on the sufficiency of Quadvest's application and notice	May 2, 2018
Deadline for Staff to provide a copy of the approved tariff page(s) to Quadvest, if application and notice are deemed sufficient	May 11, 2018

IV. CONCLUSION

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

Dated: March 1, 2018

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Karen S. Hubbard
Managing Attorney



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**DOCKET NO. 48051
CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on March 1, 2018, in accordance with 16 TAC § 22.74.



Landon J. Lill

PUC Interoffice Memorandum

To: Landon J. Lill, Attorney
Legal Division

Through: Tammy Benter, Director
Debi Loockerman, Manager
Water Utility Regulation Division

From: Andrew Novak, Financial Analyst
Water Utility Regulation Division

Date: March 1, 2018

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

On February 12, 2018, Quadvest, L.P. (Quadvest or Applicant) filed an application to implement a pass-through fee increase (PTF), effective April 19, 2018, for an increase to the well pumpage fees imposed on the Applicant by North Harris County Regional Water Authority. The pass-through increase affects the Lakes of Fairhaven subdivision.

Based on Staff's review of the application, Staff recommends that it be deemed insufficient for filing at this time. Staff recommends that Quadvest do the following to resolve the deficiencies:

1. Provide a new notice to the Commission that includes the information required by 16 Texas Administrative Code (TAC) § 24.21(b)(2)(F)(i) which includes: the affected CCN number(s); a list of affected subdivision(s), public water system name(s) issued by the TCEQ and the water quality system name(s) and corresponding number(s) issued by the TCEQ, if applicable; and a copy of the pages of the utility's tariff that contain the rates that will change if the utility's application is approved.
2. Provide a new notice to customers in the Lakes of Fairhaven subdivision that includes the information required by 16 TAC § 24.21(b)(2)(F)(ii)(V).