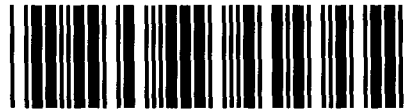




Control Number: 48052



Item Number: 1

Addendum StartPage: 0

48052

FEB 12 AM 9:03

January 31, 2018

Public Utility Commission
Central Records
PO Box 13326
Austin, TX 78711-3326

Subject: Quadvest LP Pass Through Change Application – Lake Pointe Estates

Dear Sir/Madam,

This letter represents the formal request by Quadvest LP (“Quadvest”) to pass through the additional fees being charged by the North Fort Bend Water Authority. Please find enclosed correspondence from North Fort Bend Water Authority indicating an increase in their well pumpage fees to \$3.35 per 1000 gallons, effective January 1, 2018. This increase will affect the customers in the Lake Pointe Estates subdivision, noting the associated pass through fees (“PTF”) will be increasing from \$3.32 to \$3.35 per 1000 gallons. As notice must be provided to customers prior to any change in PTF, Quadvest has provided notice prior to effective date of February 19, 2018.

Thanks for your time and consideration on this matter. If you have any questions and/or comments, please do not hesitate to contact me at 281-305-1127.

Sincerely,



Jeff Eastman
Quadvest LP

Enclosed:
NFBWA Correspondence Letter
Customer Notice
PTF Calculation Summary

Lake Pointe Estates Pass Thru Calculation

	Lakes Point Estate
Total Pumped	38,641
Total Billed	38,614
Water Loss Gallons	27
Water Loss %	0.1%

Pass Through Provision Calculation

G	(1-L)	= AG
3.35	99.9%	3.35

G= Gallonage Charge From Water Authority

L= Line Loss (not to exceed 15%)

AG= Adjusted Gallonage Charge

North Fort Bend Water Authority

Month	A	B	Water Loss (Gain) - Gal	Water Loss (Gain) - %
	Gallons Pumped Into Lake Pointe Estates From MUD 37 - Gal	Lake Pointe Estates Usage Billed To Customers - Gal		
Nov-16	3,197	3,226	(29)	-0.9%
Dec-16	1,266	1,262	4	0.3%
Jan-17	1,261	1,252	9	0.7%
Feb-17	1,542	1,495	47	3.0%
Mar-17	1,849	1,662	187	10.1%
Apr-17	2,582	2,771	(189)	-7.3%
May-17	4,643	4,567	76	1.6%
Jun-17	4,323	4,665	(342)	-7.9%
Jul-17	4,892	4,760	132	2.7%
Aug-17	5,340	5,660	(320)	-6.0%
Sep-17	3,471	3,415	56	1.6%
Oct-17	4,275	3,879	396	9.3%
Totals	38,641	38,614	27	0.1%

Proof	@ 3.35	@ 3.32
Pumpate Fees	129,447	129,447
Usage Fee Collected	129,447	128,198
Gain (Loss)	-	(1,249)

Bill Calculation	@ 3.35	@ 3.32
	1.50	1.50
	3.35	3.32
	17.85	17.85
	42.11	41.95

A	Represents gallons received into the Lake Pointe Estates system from MUD 37 for respective 12 month period. (Per Oct 2017 Water Production Report obtained from MUD 37 ("Walton I/C" column), see Exhibit A attached.)
B	Represents gallon usage billed by Quadvest to Lake Pointe Estates customers.

“Surface Water Fee” means the surface water fee/rate adopted by the Board pursuant to Section 8813.103 of the Act and set forth hereinafter.

“Three Year Time-Period” means the three year time-period preceding the date Surface Water is generally available to a Person, as determined by the sole discretion of the Authority.

“Water Importer” means a Person located, in whole or in part, within the Authority’s boundaries that: (i) uses or distributes Imported Water; and (ii) uses or distributes more than 10,000,000 gallons of water in a calendar year. The term “Water Importer” does not include an owner of an Exempt Well if, and only if, such owner does not own any Non-Exempt Wells.

“Water Line Tank Connection” is defined hereinafter.

“Well” means a facility, device, or method used to withdraw groundwater: (i) from a groundwater source that is located within the boundaries of the Authority; or (ii) from a groundwater source that is located outside the boundaries of the Authority, but is part of the GRP pursuant to a written contract with the Authority.

Section 1.02. Interpretations. The article and section headings of this Rate Order are included herein for convenience of reference purposes only and shall not constitute a part of this Rate Order or affect its interpretation in any respect. Except where the context otherwise requires, words imparting the singular number shall include the plural and vice versa.

Section 1.03. References, Etc. Any reference in this Rate Order to a document shall mean such document and all exhibits thereto as amended or supplemented from time to time.

ARTICLE II FINDINGS

Section 2.01. Findings. Each of the recitals stated in this Rate Order are hereby adopted as a finding of the Board. All statutory requirements and conditions (including those of Section 8813.103) have been met for the establishment of those fees, user fees, rates and charges set forth in this Rate Order.

ARTICLE III RATES AND CHARGES

Section 3.01. GRP Fee. The Board hereby adopts a GRP Fee pursuant to Section 8813.103. The owner of each Non-Exempt Well within the Authority shall pay the Authority the GRP Fee for monthly pumpage, as provided in this Section. Effective January 1, 2018, the GRP Fee shall be equal to \$3.35 for each 1,000 gallons of water

pumped from each Non-Exempt Well. Payment of the GRP Fee is due by the last day of the month following the month for which pumpage is required to be calculated (the "Due Date"). (For example, payment for January pumpage is due by February 28th; payment for February pumpage is due by March 31st; etc.) The Authority will not send invoices or billings to Non-Exempt Well owners for the amount of GRP Fees that are due. Each Non-Exempt Well owner shall be responsible for remitting to the Authority the GRP Fee on or before the Due Date. The GRP Fee for any billing period beginning on or after January 1, 2018, shall be calculated on the form promulgated by the Authority and attached hereto as Exhibit "A", which form shall be provided by the Non-Exempt Well owner to the Authority with the owner's monthly GRP Fee payment. Each Non-Exempt Well owner shall complete the appropriate form and provide it to the Authority monthly, even if the Non-Exempt Well owner's pumpage was zero. If the user had both Well pumpage and Surface Water usage during a month, then the user shall report the amount of each on the form promulgated by the Authority.

Section 3.02. Surface Water Fee. The Board hereby adopts a Surface Water Fee pursuant to Section 8813.103. Each Person that receives Surface Water from the Authority shall pay the Authority the Surface Water Fee for Surface Water received monthly, as provided in this Section. Effective January 1, 2018, the Surface Water Fee shall be equal to \$3.70 for each 1,000 gallons of Surface Water received. Payment of the Surface Water Fee is due by the last day of the month following the month for which Surface Water usage is required to be calculated, the Due Date. (For example, payment for January Surface Water usage is due by February 28th; payment for February Surface Water usage is due by March 31st; etc.) The Authority will not send invoices or billings to Surface Water users for the amount of Surface Water Fees that are due. Each Surface Water user shall be responsible for remitting to the Authority the Surface Water Fee on or before the due date. The Surface Water Fee for any billing period beginning on or after January 1, 2018, shall be calculated on the form promulgated by the Authority and attached hereto as Exhibit "A", which form shall be provided by the Surface Water user to the Authority with the user's monthly Surface Water Fee payment. Each Surface Water user shall complete the appropriate form and provide it to the Authority monthly, even if the user's Surface Water use was zero. If the user had both Well pumpage and Surface Water usage during a month, then the user shall report the amount of each on the form promulgated by the Authority.

Section 3.03. Imported Water Fee.

(a) Adoption of Imported Water Fee. The Board hereby adopts an Imported Water Fee pursuant to Chapter 8813 (including Section 8813.103(h)) of the Texas Special District Local Laws Code. If a Water Importer obtains Imported Water to serve all or any portion of the property it serves, then such Water Importer must immediately notify the Authority in the method set forth below and must pay to the Authority monthly the following Imported Water Fee: (i) a fee equal to the then-current GRP Fee applied on all Imported Water if the Water Importer is not a

EXHIBIT C
NORTH FORT BEND WATER AUTHORITY
Non-Potable Water and Billing Form Effective January 1, 2018

Name of Non-Potable Water System: _____

Check the billing period for which this report is being filed

Billing Period		Rate		Credit	Due Date
January 1-31, 20	<input type="checkbox"/>	\$3.35 pumpage	<input type="checkbox"/>	\$0.75	February 28, 20
February 1-28/29, 20	<input type="checkbox"/>	\$3.35 pumpage	<input type="checkbox"/>	\$0.75	March 31st, 20
March 1-31, 20	<input type="checkbox"/>	\$3.35 pumpage	<input type="checkbox"/>	\$0.75	April 30, 20
April 1-30, 20	<input type="checkbox"/>	\$3.35 pumpage	<input type="checkbox"/>	\$0.75	May 31, 20
May 1-31, 20	<input type="checkbox"/>	\$3.35 pumpage	<input type="checkbox"/>	\$0.75	June 30, 20
June 1-30, 20	<input type="checkbox"/>	\$3.35 pumpage	<input type="checkbox"/>	\$0.75	July 31, 20
July 1-31, 20	<input type="checkbox"/>	\$3.35 pumpage	<input type="checkbox"/>	\$0.75	August 31, 20
August 1-31, 20	<input type="checkbox"/>	\$3.35 pumpage	<input type="checkbox"/>	\$0.75	September 30, 20
September 1-30, 20	<input type="checkbox"/>	\$3.35 pumpage	<input type="checkbox"/>	\$0.75	October 31, 20
October 1-31, 20	<input type="checkbox"/>	\$3.35 pumpage	<input type="checkbox"/>	\$0.75	November 30, 20
November 1-30, 20	<input type="checkbox"/>	\$3.35 pumpage	<input type="checkbox"/>	\$0.75	December 31, 20
December 1-31, 20	<input type="checkbox"/>	\$3.35 pumpage	<input type="checkbox"/>	\$0.75	January 31, 20

Gallons of Water Pumped for Billing Period

	Start Meter Reading	End Meter Reading	Total
Reuse Effluent Meter			
For Stormwater and Rainwater Capture Systems use the following rows:			
Make-Up Well #1			
Irrigation Meter #1			
Make-Up Well #2			
Irrigation Meter #2			
Make-Up Well #3			
Irrigation Meter #3			
For additional wells, attach a second reporting form and put total from all wells below.			
ALL			

Total Fee Due or Credit Earned for Effluent Reuse Systems

1	Enter total gallons of reuse effluent metered	
2	Divide by 1,000	
3	Total pumpage fee due or credit earned (multiply line 2 x 2.75 or line 2 x 0.75)	

Total Credit Earned for Stormwater and Rainwater Capture Systems

1	Enter total gallons of Make-up Water minus the Irrigation Meter #1	
2	Enter total gallons of Make-up Water minus the Irrigation Meter #2	
3	Enter total gallons of Make-up Water minus the Irrigation Meter #3	
4	Divide by 1,000	
5	Total credit earned (multiply line 2 x 0.75)	

I declare that the above information is true and correct to the best of my knowledge and belief.

Dated: _____ By: _____

Name: _____ Title: _____

If your payment is received late (as defined in the Authority's Amended Rate Order) the Authority will send you an invoice for the late penalties and interest set forth in the Authority's Amended Rate Order.

Make check payable to: North Fort Bend Water Authority, c/o _____ (rates effective 1/1/2018)

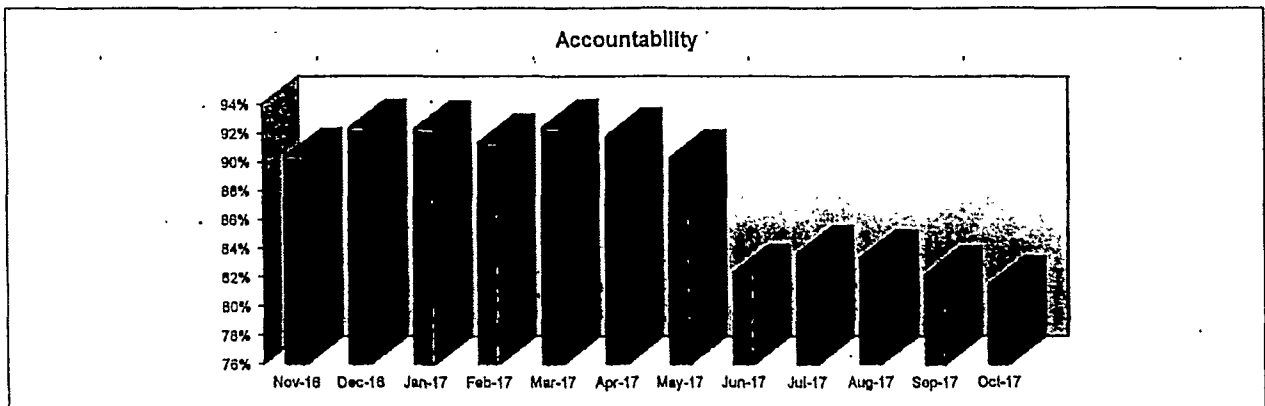
LPE

Fort Bend M.U.D. #37
October 2017

Water Production Report

FORT BEND COUNTY SUBSIDENCE DISTRICT		TCEQ PERMIT # 0790189	
F.B.S.D. PERMITTED PERIOD		10/01/16 - 09/30/17	
GALLONS PUMPED FROM WELL		15,629,000	GALLONS
YEAR TO DATE WITHDRAWAL (WELL)		134,145,422	GALLONS

MONTH	READ DATES	BILLED WALTON I/C	FB185 I/C ESTIMATED	MAINT	TOTAL	PURCH	PUMPED	% ACC		
Nov-16	10/27/16 - 11/28/16	7,714,000	3,197,000	368,000	1,157,500	12,438,500	0	13,780,000	90.38%	
Dec-16	11/29/16 - 12/27/16	4,339,000	1,266,000	182,000	1,179,500	6,978,500	0	7,552,000	92.38%	
Jan-17	12/28/16 - 01/25/17	3,931,000	1,281,000	112,000	1,139,250	6,443,250	0	6,983,000	92.27%	
Feb-17	01/26/17 - 02/23/17	4,259,000	1,542,000	145,000	1,217,000	7,163,000	0	7,841,000	91.35%	
Mar-17	02/24/17 - 03/25/17	5,005,000	1,849,000	267,000	1,099,500	8,220,500	8,133,000	784,000	92.40%	
Apr-17	03/28/17 - 04/22/17	5,843,000	2,582,000	356,000	714,500	9,495,500	10,343,335	0	91.80%	
May-17	04/23/17 - 05/24/17	8,480,000	4,643,000	488,000	484,250	14,095,250	12,006,000	3,603,000	90.30%	
Jun-17	05/25/17 - 06/21/17	7,163,000	4,323,000	435,000	128,000	12,047,000	0	14,625,000	82.37%	
Jul-17	06/22/17 - 07/21/17	8,319,000	4,892,000	663,000	378,500	14,252,500	0	17,028,000	83.70%	
Aug-17	07/22/17 - 08/22/17	10,531,000	5,340,000	613,000	304,000	16,788,000	0	20,130,000	83.40%	
Sep-17	08/23/17 - 09/22/17	7,868,000	3,471,000	506,000	217,800	11,862,600	0	14,424,000	82.24%	
Oct-17	09/23/17 - 10/24/17	8,585,000	4,275,000	565,000	151,500	13,576,500	0	16,848,000	81.55%	
TOTAL		81,837,000	38,841,000	4,710,000	0	8,169,100	133,357,100	30,482,335	123,358,000	
AVERAGE		6,819,750	3,220,083	392,500		880,758	11,113,092	2,540,195	10,279,833	87.85%





January 31, 2018

Dear Lake Pointe Estates Customer,

Quadvest hereby notifies you that it will be increasing your water pass through fee ("PTF") to \$3.35 per 1000 gallons, effective February 19, 2018. This tariff change is being implemented in accordance with the minor tariff changes allowed by 16 Texas Administrative Code § 24.21. The cost to you as a result of this change will not exceed the costs charged to your utility. Specifically, the pass through provision allows Quadvest to pass along actual water usage fees charged by the North Fort Bend Water Authority to its customers. On your bill due April 21st, the PTF will be \$3.35 per 1,000 gallons, an increase from the current \$3.32 per 1,000 gallons. The Public Utility Commission of Texas will review the PTF calculation and advise of any required revisions, noting the \$3.35 per 1000 gallons will remain in effect until further notice.

New Water Pass Through Fee Calculation (PTF)

<i>G = Gallonage charge of water authority (per 1,000 gallons)</i>	<i>\$3.35</i>
<i>L = water line loss not to exceed 15%</i>	<i>0.1%</i>
<i>AG = G / (1-L)</i>	<i>\$3.35</i>

Customer Bill Comparison at 5,000 Gallons:

Present Calculation of Customer Billing:

Example: 5/8 x 3/4" meter using 5,000 gallons
$$\$17.85 + [5000/1000 * \$1.50] + [5000/1000 * \$3.32] = \$41.95$$

New Calculation of Customer Billing:

Example: 5/8 x 3/4" meter using 5,000 gallons
$$\$17.85 + [5000/1000 * \$1.50] + [5000/1000 * \$3.35] = \$42.10$$

If you have any questions about this PTF adjustment, please call Quadvest Customer Service Monday – Friday, 8:00am – 4:30pm at 281-356-5347 or email us at support@quadvest.com.

Best regards,

Quadvest Customer Service

TARIFF CONTROL NO. 47259

RECEIVED

2017 AUG 16 AM 10:55

**PUBLIC UTILITY COMMISSION
OF TEXAS**

**APPLICATION OF QUADVEST LP
FOR A PASS-THROUGH RATE
CHANGE** §
§
§
§
§
§
§

COMMISSION STAFF'S SUPPLEMENTAL 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 June 5, 2017, Quadvest LP (Quadvest) filed an application to implement a pass-through rate change in its tariff under Water Certificate of Convenience and Necessity (CCN) No. 11612. Quadvest seeks to implement the pass-through provision as a result of an increase in well pumpage fees charged by the North Fort Bend Water Authority (NFBWA). The rate increase will affect customers located in the Lake Pointe Estates subdivision. The requested effective date for the pass-through rate change is June 19, 2017.

On June 28, 2017, the Administrative Law Judge (ALJ) issued a Notice Finding Application Insufficient which suspended the effective date and required Staff to file a supplemental recommendation on the application by August 16, 2017. This pleading is therefore timely filed.

II. RECOMMENDATION

Staff has reviewed Quadvest application and supplement and, as supported by the attached memorandum of Debi Loockerman of the Water Utilities Division, Staff recommends that the application be deemed sufficient for filing and approved. Staff recommends that Quadvest be provided a copy of the approved tariff¹, which has been attached to this recommendation.

¹ Staff notes that Quadvest has filed another Pass-Through application in Docket 47260. Because it is being processed at the same time, and the tariff change also affect that application, the same tariff shall be provided for both applications.

6

III. CONCLUSION

For the reasons stated above, Staff respectfully requests the issuance of an order consistent with the above recommendation.

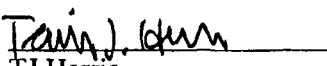
Dated: August 16, 2017

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF
TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

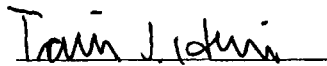
Stephen Mack
Managing Attorney


TJ Harris
State Bar No. 24097804
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7216
(512) 936-7268 (facsimile)
TJ.Harris@puc.texas.gov

TARIFF CONTROL NO. 47259

CERTIFICATE OF SERVICE

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


TJ Harris

PUC Interoffice Memorandum

To: TJ Harris, Attorney
Legal Division

Through: Tammy Benter, Division Director
Water Utility Regulation

From: Debi Loockerman, Manager
Water Utility Regulation

Date: August 16, 2017

Subject: **Tariff Control No. 47259**; *Application of Quadvest, L.P. to Implement a Pass-Through Rate Change*

On June 5, 2017, Quadvest, L.P. (Quadvest) filed an application to implement a pass-through pumpage fee increase (PTF) for fees imposed by North Fort Bend Water Authority (NFBWA). NFBWA charges a groundwater reduction plan fee for water pumped from wells which increased from \$2.75/1000 gallons to \$3.05/1000 gallons effective July 19, 2017. This filing affects the Lake Pointe Estates subdivision.

The Commission deemed the application insufficient in Order No. 2, suspending the rate, and requiring Quadvest to cure the deficiencies by July 26, 2017. Staff has reviewed Quadvest's additional filings made on July 14, 2017, including the notice provided to customers, and recommends that the Commission do the following:

1. Deem the application sufficient for filing;
2. Approve the requested pass-through increase from \$3.14 to \$3.32 with an effective date of July 19, 2017;
3. Approve the requested change in equation to more correctly recover the amounts passed charged by NFBWA in accordance with 16 Tex. Admin. Code § 24.21(b)(2)(vii).

Please note that the tariff changes approved in this tariff control application will be included in a tariff issued in Tariff Control No. 47260 which is being processed concurrently with this application.