

Control Number: 48052



Item Number: 4

Addendum StartPage: 0

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

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PUBLIC UTILITY COMMISSION

PUBLIC UTILITY COMMISSION  
OF TEXAS

### 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 Fort Bend Water Authority. The rate increase will apply to the Lake Pointe Estates subdivision and will take effect on February 19, 2018. Quadvest filed a revised notice to customers on February 20, 2018.<sup>1</sup>

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 (TAC) § 24.21(b)(2)(F)(i), and the notice sent to customers does not include an explanation of the

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<sup>1</sup> Staff notes that Quadvest has filed a separate application for another pass-through rate change in Docket No. 48051. On February 20, 2018, Quadvest filed a Pass Thru Customer Letter in both Docket No. 48051 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. 48051 belongs in this docket and vice versa.

change in fees charged to Quadvest as required by 16 TAC § 24.21(b)(2)(F)(ii)(V). Because the notice is insufficient, Staff further recommends that Quadvest delay the proposed effective date for the pass-through rate increase to allow sufficient time to re-notice its customers.

### **III. PROPOSED PROCEDURAL SCHEDULE**

Staff proposes the following procedural schedule:

<b>Event</b>	<b>Date</b>
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.

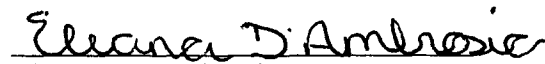
Dated: March 1, 2018

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

Margaret Uhlig Pemberton  
Division Director

Karen S. Hubbard  
Managing Attorney



Eleanor D'Ambrosio  
State Bar No. 24097559  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326  
(512) 936-7295  
(512) 936-7268 (facsimile)  
Eleanor.Dambrosio@puc.texas.gov

**TARIFF NO. 48052  
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.

  
Eleanor D'Ambrosio

## PUC Interoffice Memorandum

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**To:** Eleanor D' Ambrosio, 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. 48052;** *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 February 19, 2018, for an increase to the well pumpage fees imposed on the Applicant by North Fort Bend Water Authority. The pass-through increase affects the Lake Pointe Estates 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 Lake Pointe Estates subdivision that includes the information required by 16 TAC § 24.21(b)(2)(F)(ii)(V) and a new effective date for the PTF increase.