



Control Number: 48199



Item Number: 5

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Oak Hill Estates Water Operations Office
A-1 Utility & Construction Services, Inc.
27351 Blueberry Hill Drive, Suite 36
Conroe, Texas 77385-8969

Phone (281) 367-0935

48199

May 4, 2018

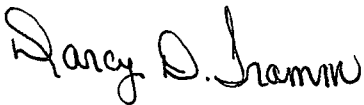
Public Utility Commission
PO Box 13326
Austin, TX 78711-3326

RE: Increase in pass through rate
Oak Hill Estates Water System - CCN #12861

To whom it may concern,

After speaking with P.U.C. staff, my office corrected several errors that were made in the first notice mailed out to customers on March 19, 2018. Attached is a copy of the revised notice of increase of pass through rate that was mailed out to customers on May 4, 2018.

Sincerely,



Darcy Tramm, Office Manager
District Operations Company

Enclosures: Copy of notice of proposed increase pass through rate sent to customers 05/04/2018

2018 MAY 11 PM 9:37
PUBLIC UTILITY COMMISSION
FILED
AUSTIN, TEXAS

NOTICE TO CUSTOMERS OF PROPOSED INCREASE IN PASS THROUGH RATE

Castle Country Homes Inc. dba Oak Hill Estates Water Company Water System Name	12861 ----- TX 1013045 CCN Number TCEQ Public Water System ID #
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Your water provider has a pass through rate provision as part of water utility tariff on file with the Texas Public Utility Commission (Commission). **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. Please read all information carefully.**

Oak Hill Estates	77338			
Subdivision Affected by Pass Through Provision	Zip Code Affected by Pass Through Provision			
27351 Blueberry Hill Drive, Suite 36	Conroe	Texas	77385-8969	(281) 367-9419
Company Address	City	State	Zip	Phone #
May 4, 2018	May 21, 2018			
Date Customer Notice Mailed	Effective Date of the Increase			

PASS THROUGH RATE 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 shall be passed through as an adjustment to the base rate and gallonage charge according to the formula:

Current rate is based on the following equation

$AG = G + B/(1-L)$, Where:

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

G = approved gallonage charge (\$2.40 per 1,000 gallons);

B = change in purchased water/district gallonage charge (\$0.50 per 1,000 gallons);

L = system average line loss for preceding 12 months not to exceed 0.15 (13%)

Current Gallon Rate $AG = 2.40 + 0.50/(1-0.13) = 2.90/0.87 = \3.33

* Gallonage charge per Water Tariff dated April 1, 2016

The new rate is based on the equation outlined in Title 16, Texas Administrative Code 24.21 (E)

$R = G / (1-L)$, Where:

R = new proposed pass through rate (\$3.90 per 1,000 gallons)

G = new gallonage charge by NHCRWA, (\$3.40 per 1,000 gallons)

L = water line loss for preceding 12 months (13% water loss)

New Proposed Pass Through Rate = $[3.40/1-0.13] = [3.40/0.87] = \3.90

This tariff change is being implemented in accordance with the utility's approved water use fee adjustment clause to recognize increases in the water use fee (for well pumpage). The cost of these charges to customers will not exceed the increased cost of the water use fee.

The Oak Hill Estates Water Company is charged a groundwater well pumping fee by the North Harris County Regional Water Authority. This notice is to make you aware that effective April 1, 2018 the North Harris County Regional Water Authority is increasing the rate charged to Oak Hill Estates Water Company and that the rate charged to you on your monthly water bill (NHCRWA Fee) is increasing from \$3.33 per 1,000 gallons billed to \$3.90 per 1,000 gallons billed effective with bill due 07/16/2018 (water usage from 05/21/2018 to 06/21/2018).

Please call Darcy Tramm at the water system operations office if you have any questions regarding this change at (281) 367-9419 or email: billing@a1utility.com.