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DOCKET NO. _____

PUBLIC UTILITY COMMISSION
FILING CLERK

PASS-THROUGH WATER UTILITY TARIFF FILING

ALBURY MANOR UTILITY COMPANY

CCN# 11507

PWSID# 1012052

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ALBURY MANOR UTILITY COMPANY

400 RANDAL WAY
SUITE 106
SPRING, TEXAS 77388
(281) 350-7000
FAX (281) 350-7020

EXPLANATION OF PASS-THROUGH TARIFF CHANGE

Implementation of Pass Through North Harris County Regional Water Authority (NHCRWA) water production fee increase effective April 1, 2018, as contained in the NHCRWA Updated Pricing Policy shown in Exhibit "A" attached hereto. Copies of the full NHCRWA orders establishing this water production fee increase can be found at www.nhcrwa.org.

Albury Manor Utility Company's (AMUC) current tariff contains a Pass-Through Provision for NHCRWA rate increases as shown on Page 2b of AMUC's tariff, included herewith, approved on May 19, 2017 by the Texas Public Utility Commission.

This tariff amendment is to obtain P.U.C. approval for the above mentioned NHCRWA rate increase. AMUC notes that this application includes a draft form of notice for approval from the P.U.C. before being sent to customers.

Please contact Kenneth Streeter at the number listed above, or at kens@hendricksinterests.com, with any questions regarding this application.

Albury Manor Utility Company, Inc.

Water Utility Tariff Page No. 2

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallage Charge</u>
5/8" or 3/4"	\$16.00 (including 0 gallons)	\$5.51 (per 1,000 gallons to 15,000 gallons)
1"	\$26.72	\$6.16 (per 1,000 gallons above 15,000 gallons)
2"	\$85.28	

*Includes North Harris County Regional Water Authority (NHCRWA) Fee of \$3.40 plus line loss of \$0.36

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 \$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 THOSE FEES TO THE TCEQ.

Section 1.02 - Miscellaneous Fees

TAP FEE \$300.00
 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.

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
 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.



**WATER UTILITY TARIFF
Tariff Control Number: 46921**

Albury Manor Utility Company, Inc.
(Utility Name)

400 Randal Way, Suite 106
(Business Address)

Spring, Texas 77388
(City, State, Zip Code)

(281) 350-7000
(Area Code/Telephone)

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

11507

This tariff is effective in the following county:

Harris

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

None

This tariff is effective in the following subdivisions and/or public water systems:

Albury Manor: PWS ID# 1012052

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

Albury Manor Utility Company, Inc.

Water Utility Tariff Page No. 2

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>		<u>Monthly Minimum Charge</u> <u>Gallorage Charge</u>
5/8" or 3/4"	<u>\$16.00</u> (including 0 gallons)	* <u>\$4.94</u> (per 1,000 gallons to 15,000 gallons)
1"	<u>\$26.72</u>	* <u>\$5.59</u> (per 1,000 gallons above 15,000 gallons)
2"	<u>\$85.28</u>	

*Includes North Harris County Regional Water Authority (NHCRWA) Fee of \$2.90 plus line loss of \$0.29. (Tariff Control No. 46921)

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 \$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 THOSE FEES TO THE TCEQ.

Section 1.02 - Miscellaneous Fees

TAP FEE \$300.00
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.

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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.

Tariff Control Number: 46921

Albury Manor Utility Company, Inc.

Water Utility Tariff Page No. 2a

SECTION 1.0 -- RATE SCHEDULE (Continued)

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

TRANSFER FEE.....\$25.00

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%

PUC RULES 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\$20.00

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

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE

WHEN AUTHORIZED IN WRITING BY TCEQ AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [16 TAC 24.21(K)(2)]

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.

Albury Manor Utility Company, Inc.

Water Utility Tariff Page No. 2b

SECTION 1.0 -- RATE SCHEDULE (Continued)

Pass Through Provision

The North Harris County Regional Water Authority's well pumpage fees will be passed through to the customers of Albury Manor Utility Company as an adjustment to the gallonage charge on the monthly water bills, in accordance with the following formula:

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

- AG = adjusted gallonage rate;
- G = approved gallonage rate;
- B = change in fee (per 1000 gallons);
- L = water loss, not to exceed 15%.

Tariff Control Number: 46921

ALBURY MANOR UTILITY COMPANY**WATER LOSS CALCULATIONS****1. Gallons Purchased vs Gallons Billed for Calendar Year 2017**

<u>Month</u>	<u>Gallons Purchased From HCMUD#401</u>	<u>Gallons Billed To AMUC Customers</u>	<u>Water Loss</u>	<u>% Water Loss</u>
January -'17	288,000	230,000	(58,000)	-20.1%
February-'17	242,000	285,000	43,000	17.8%
March- '17	423,000	388,000	(35,000)	-8.3%
April- '17	726,000	690,000	(36,000)	-5.0%
May- '17	746,000	601,000	(145,000)	-19.4%
June- '17	920,000	908,000	(12,000)	-1.3%
July- '17	1,352,000	1,061,000	(291,000)	-21.5%
August- '17	961,000	837,000	(124,000)	-12.9%
September-'17	897,000	819,000	(78,000)	-8.7%
October-'17	907,000	766,000	(141,000)	-15.5%
November-'17	725,000	603,000	(122,000)	-16.8%
December-'17	613,000	483,000	(130,000)	-21.2%
TOTALS	8,800,000	7,671,000	(1,129,000)	-12.8%

Note: In September 2008 AMUC ceased pumping it's well due to a change in the EPA's arsenic regulations, and began purchasing water from Harris County MUD # 401. The meter reading cycles for MUD #401 and AMUC are different resulting in months where AMUC is billing for more water than was reported purchased.

ALBURY MANOR UTILITY COMPANY

RATE CHANGE CALCULATIONS

CCN No. 11507
PWSID No. 1012052

<u>Effective Date</u>	<u>Action</u>	<u>AMUC CALCULATED Gallage Rate</u>	<u>TCEQ/PUC Approved Pass Through Formula Calculations</u>
			<p>AG = G+[B/(1-L)] AG = adjusted gallage rate G= approved gallage rate B = change in fee(per 1000 gallons) L = water loss, not to exceed 15%</p>
April 15, 2016	Previous PUC approved rate increase to account for April 1, 2014 NHCRWA rate increase to \$2.00/1,000 gal.	\$4.01/1,000 gal. to 15,000 gal. \$4.66/1,000 gal., 15,000 gal.+	AG = \$3.76+[(2.00-\$1.75)/(1-0.021)] = \$4.01/1000 gallons up to 15,000 gallons AG = \$4.41+[(2.00-\$1.75)/(1-0.021)] = \$4.66/1000 gallons over 15,000 gallons
July 15, 2016	Previous PUC approved rate increase to account for NHCRWA rate Increase to \$2.40/1,000 gal. effective April1, 2016.	\$4.41/1,000 gal. to 15,000 gal. \$5.06/1,000 gal. over 15,000 gal.	AG = \$4.01+[(2.40-\$2.00)/(1-0.005)] = \$4.41/1000 gallons up to 15,000 gallons AG = \$4.66+[(2.40-\$2.00)/(1-0.005)] = \$5.06/1000 gallons over 15,000 gallons
June 15, 2017	Previous PUC approved rate increase to account for NHCRWA rate Increase to \$2.90/1,000 gal. effective April1, 2017.	\$4.94/1,000 gal. to 15,000 gal. \$5.59/1,000 gal. over 15,000 gal.	AG = \$4.41+[(2.90-\$2.40)/(1-0.06)] = \$4.94/1000 gallons up to 15,000 gallons AG = \$5.06+[(2.90-\$2.40)/(1-0.06)] = \$5.59/1000 gallons over 15,000 gallons
June 15, 2018	Proposed rate increase to account for NHCRWA rate Increase to \$3.40/1,000 gal. effective April1, 2018.	\$5.51/1,000 gal. to 15,000 gal. \$6.16/1,000 gal. over 15,000 gal.	AG = \$4.94+[(3.40-\$2.90)/(1-0.128)] = \$5.51/1000 gallons up to 15,000 gallons AG = \$5.59+[(3.40-\$2.90)/(1-0.128)] = \$6.16/1000 gallons over 15,000 gallons

ALBURY MANOR UTILITY COMPANY

400 RANDAL WAY
SUITE 106
SPRING, TEXAS 77388
(281) 350-7000
FAX (281) 350-7020

CCN No. 11507

March 15, 2018

DRAFT NOTICE OF RATE CHANGE

This rate change is due to the increase in water production fees established by the North Harris County Regional Water Authority (NHCRWA). The Legislation creating the NHCRWA allows it to establish fees, rates, and charges and classifications of fees and rate payers, as necessary to enable the NHCRWA to fulfill its purpose and regulatory obligations. AMUC's customers may go to the NHCRWA website to see copies of the Orders adopted by the NHCRWA establishing these water production fees, at www.nhcrwa.org.

This tariff change is being implemented in accordance with AMUC's Pass Through water production fee adjustment clause as contained in AMUC's May 19, 2017 PUC approved water tariff to recognize increases in the water production fees established by the NHCRWA.

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 cost charged to your utility.

Please note that AMUC's basic water rates, approved by the TCEQ in February 1993 have NOT increased. All increases since that date are a result of increases in water production fees established by NHCRWA (pass through charge). AMUC collects and pays these water production fees to the NHCRWA.

The proposed effective date will be effective with the **June 15, 2018** billing cycle, for which Notices will be mailed **May 15, 2018**, and will be reflected on the utility bill mailed on or about **June 20, 2018**, for which payment will be due on or about **July 6, 2018**.

AMUC's tariff states that the NHCRWA fees are passed through to customers as an adjustment to the gallonage charge. According to AMUC's tariff, the calculation for the pass-through charge is:

$$AG = G + [B / (1 - L)], \text{ Where}$$

AG = adjusted gallonage rate
 G = approved gallonage rate
 B = change in fee (per 1,000 gallons)
 L = water loss, not to exceed 15%

The present pass-through calculation and gallonage charge (as noticed to customers on May 15, 2017 and effective June 15, 2017) is:

$$AG = \$4.41 + [(\$2.90 - \$2.40) / (1 - .06)] = \$4.94 / 1,000 \text{ gallons up to 15,000 gallons.}$$

$$AG = \$5.06 + [(\$2.90 - \$2.40) / (1 - .06)] = \$5.06 / 1,000 \text{ gallons over 15,000 gallons.}$$

The April 1, 2018 NHCRWA water production fee increase results in the following new pass-through rate calculation and gallonage charge:

$$AG = \$4.94 + [(\$3.40 - \$2.90) / (1 - 0.128)] = \mathbf{\$5.51} / 1,000 \text{ gallons up to 15,000 gallons.}$$

$$AG = \$5.59 + [(\$3.40 - \$2.90) / (1 - 0.128)] = \mathbf{\$6.61} / 1,000 \text{ gallons over 15,000 gallons.}$$

Where the NHCRWA new charge per 1,000 gallons is \$2.90 and new line loss is \$0.36.

AMUC receives \$1.75/1,000 gallons up to 15,000 gallons, and \$2.40/1,000 gallons over 15,000 gallons out of the above rates, which was approved by TCEQ in 1993.

EXHIBIT "A"

North Harris County Regional Water Authority
Updated Pricing Policy
Effective April 1, 2018

(1 page)



UPDATED 12/4/17

**UPDATED PRICING POLICY
OF THE NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
(Effective April 1, 2018)**

This Updated Pricing Policy of the North Harris County Regional Water Authority (this "Updated Pricing Policy") is intended to define the Cost of Water paid to the Authority for Water used within the Authority and is an integral part of the Authority's Rate Order (the "Rate Order"), adopted on October 5, 2009. Unless specifically defined otherwise, capitalized terms in this Updated Pricing Policy shall have the meanings defined in the Rate Order.

Effective April 1, 2018, the following Cost of Water will apply to and be due by users of Water within the Authority:

Authority Water	\$3.85 per 1,000 gallons
Water pumped from a Non-Exempt Well	\$3.40 per 1,000 gallons
Imported Water	\$3.40 per 1,000 gallons

In addition to the above Fees, the Authority shall continue to provide a credit to each Converted Entity that constructed a Chloramine System prior to December 1, 2015 in accordance with the Authority's prior policy and procedures. Such credits shall be calculated as outlined below. Furthermore, any credits for capital contributions paid to the Authority by a Payor shall continue as provided in the applicable written agreement executed between the Payor and the Authority.

The Authority may revise the above Fees and modify, delete or add any credit(s), subject to the provisions of any applicable written agreements, if and when necessary. Payors will be notified of any such changes.

Chloramination Credits

The annual Chloramination Credit shall be calculated by amortizing the cost of the Chloramine System at 6% interest over a 30-year period, which shall begin the year the facilities are placed in service. The annual Chloramination Credit amount will be divided by 12 and the resultant amount will be credited monthly toward the fees payable to the Authority for the Water used by the Converted Entity.

New/Replacement Facilities

In order to help facilitate the effective implementation of the GRP, any Payor who anticipates the construction of new or replacement Water production, storage and/or treatment facilities and/or related appurtenances shall advise the Authority of those plans as early in the process as possible. The Authority will review such proposed improvements for conformity with the goals of the GRP and the possibility of the Authority being able to address those needs (i.e., by providing water in lieu of the Payor having to construct or replace facilities). Within the limits of its jurisdiction, the Authority will regulate construction of such facilities to accomplish the goals of the GRP.

Policy Implementation

The General Manager is authorized to take any actions on behalf of the Authority necessary and convenient to accomplish the purposes of this Updated Pricing Policy. The General Manager is also authorized to take actions necessary to comply with any special credit provisions provided under any agreements that may exist between a Payor and the Authority.