



Control Number: 48267



Item Number: 5

Addendum StartPage: 0

2018 MAY 11 PM 2:59

APPLICATION OF SIMPLY § PUBLIC UTILITY COMMISSION
AQUATICS, INC. FOR A PRICE §
INDEX RATE ADJUSTMENT FOR § OF TEXAS
LA PLAYA

COMMISSION STAFF’S RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and files this Recommendation on Administrative Completeness and Recommendation on Final Disposition in response to Order No. 1. In support thereof, Staff shows the following:

I. BACKGROUND

On April 13, 2018, Simply Aquatics, Inc. (Simply Aquatics) filed an application for a price index rate adjustment under Tex. Water Code (TWC) § 13.1872 and 16 Texas Administrative Code (TAC) § 24.36 for its La Playa water system (Application). Staff filed a letter of deficiency on April 20, 2018. To date, Simply Aquatics has not responded to the deficiencies set out by Staff.

On April 17, 2018, the Administrative Law Judge (ALJ) issued Order No. 1 requiring Staff to file a recommendation on the administrative completeness of the Application and notice on or before May 11, 2018. Therefore, this pleading is timely filed.

II. RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS

As detailed in the attached memorandum of Sherric Keylon in the Commission’s Water Utility Regulation Division, Staff has reviewed the Application and recommends that it be found administratively incomplete.

III. PROCEDURAL SCHEDULE

Staff recommends that the application be found administratively incomplete. Staff therefore recommends that a deadline of June 11, 2018 be established for Simply Aquatics to supplement its application. Staff further recommends that a deadline of July 11, 2018 be established for Staff to review Simply Aquatics’ supplemental information and make a supplemental recommendation on the administrative completeness of the application.

Dated: May 11, 2018

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Katherine Lengieza Gross
Managing Attorney

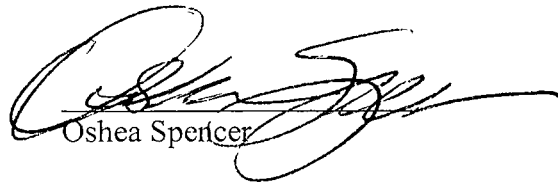


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DOCKET NO. 48267

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on May 11, 2018 in accordance with 16 TAC § 22.74.



Oshea Spencer

PUC Interoffice Memorandum

To: Oshea Spencer, Attorney
Legal Division

Thru: Debi Loockerman, Financial Manager
Water Utility Regulation Division

From: Sherrie Keylon, Financial Analyst
Water Utility Regulation Division

Date: May 9, 2018

Subject: **Docket No. 48267:** Application of La Playa For A Price Index Rate Adjustment

On April 13, 2018, Simply Aquatics, Inc. (Applicant) filed an application for a price index rate adjustment. Pursuant to Tex. Water Code Ann. (TWC) § 13.1872 and 16 Tex. Admin. Code (TAC) § 24.36(c), a utility may request to increase its tariffed monthly fixed customer or meter charges and monthly gallonage charges. In this case, the Applicant is requesting approval to adjust its water tariff base rates or monthly meter charge and gallonage rates based upon the Commission's price index of 3.50%. The Applicant provided:

1. A Class C Water and Sewer Utility Request for a Price Index Rate Adjustment; and
2. A proposal for the provision of notice for the approved price index change.

Staff reviewed the application and determined that it included errors and was incomplete. Specifically, the application contained the following errors and/or deficiencies:

1. The Applicant's scheduled month for Class C rate adjustment applications is in July, pursuant to 16 TAC § 24.36(f). Staff recommends that this Application be processed under a good cause exception because the utility has never filed a Class C Rate Adjustment prior to this docket.
2. Reference Page 1 of the Application. The "Number of Current Active Water Connections" is incomplete.
3. Reference Page 2 and 3 of the Application and Page 1, 2 and 3 of the Notice. The CCN Number for Sewer should be marked as "N/A" or otherwise noted as Not Applicable.
4. Reference Page 2 of the Application and Page 2 of the Notice. Water Base Rates have an incorrect Previous Monthly Base Rate and New Monthly Base Rate. Per previous Docket #46168, the current base rate is \$39.60, not \$393.60. Correction of the base rate would result in a New Monthly Base Rate of \$40.99, not \$407.38, at a 3.50% increase.
5. Reference Page 2 of the Application and Page 2 of the Notice: "Previous Tariff Rates" under Gallonage Charges. Per previous Docket #46168, this should read \$3.25 for each additional 1,000 gallons over the minimum. The New Tariff Rate reflected as \$3.36 for each additional 1,000 gallons over the minimum is correct.

6. Reference Page 1 of the Notice. "Public Water System(s), sewer system(s), and/or subdivision(s) that will be affected by this rate adjustment" is incomplete.
7. Reference Page 1 of the Notice: "Effective Date of Approved Increase" is incomplete.
8. Reference Page 1 of the Notice: "Date Meters are Read" is incomplete.
9. Reference Page 1 of the Notice: "Billing Comparison Chart" is incomplete.
10. Confirm that the rate adjustment is for the La Playa Water System's rates.

The Applicant was contacted and asked to provide additional information by May 4, 2018 to resolve the deficiencies. Since the Applicant has not provided the requested information, Staff recommends that the application be deemed insufficient and administratively incomplete.

Staff recommends that the Applicant file an amended application which addresses all the errors and deficiencies listed above in this memo in order for Staff to recommend a sufficient application.