



Control Number: 48307



Item Number: 5

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DeAnn T. Walker
Chairman

Arthur C. D'Andrea
Commissioner



Greg Abbott
Governor

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John Paul Urban
Executive Director

Public Utility Commission of Texas
PUBLIC UTILITY COMMISSION
FILING CLERK

To: Georgia N. Crump, Attorney
816 Congress Ave., Suite 1900
Austin, TX 78701

Commission Staff – Water Utility Regulation Division
Commission Staff – Legal Division

Re: Tariff Control No. 48307 – *Application of Undine Texas, LLC for a Pass-Through Rate Change*

NOTICE OF APPROVAL

This Notice addresses Undine Texas, LLC's application for a pass-through rate change due to an increased well pumpage fee imposed on the utility by the North Harris County Regional Water Authority (NHCRWA). NHCRWA's rate increase from \$2.90 per thousand gallons to \$3.40 applies to the Cypress Bend subdivision of Undine Texas and took effect on April 1, 2018. Undine Texas proposed an increase to \$5.28 per thousand gallons which includes recovery for line loss.

Commission Staff recommends that the Commission set the rate at \$4.00 per 1,000 gallons. Undine's proposed rate increase request included line loss of 35.6% which exceeds Commission Staff's recommended maximum line loss of 15%. Undine did not include justification for a line loss recovery greater than 15% in its application.

On May 23, 2018, Commission Staff recommended that the administrative law judge deem the application and notice sufficient. Commission Staff recommends the Commission approve a pass-through gallonage rate of \$4.00 per thousand gallons. Additionally, Commission Staff recommends that the Commission order Undine to refund any overcharges charged to its ratepayers if they are already charging the \$5.28 per 1,000 gallon rate. Undine should file a notarized affidavit attesting to the calculation, issuance, and amount of any such refunds within 45 days of the date of this Notice.



The Commission approves the application of Undine Texas to pass-through a rate increase of \$4.00 per thousand gallons to Undine Texas' customers, as recommended by Commission Staff. The approved amended tariff pages provided by Commission Staff are attached to this Notice.

Undine shall refund any overcharges charged to its ratepayers if the \$5.28 per 1,000 gallon rate has already begun being charged. Undine shall file a notarized affidavit attesting to the calculation, issuance, and amount of any such refunds within 45 days of the date of this Order.

Signed at Austin, Texas the 25th day of May 2018.

PUBLIC UTILITY COMMISSION OF TEXAS



MAYSON PEARSON
ADMINISTRATIVE LAW JUDGE



**WATER UTILITY TARIFF
Tariff Control No. 48307**

Suburban Utility Company
(Utility Name)

P.O. Box 455
(Business Address)

Spring, Texas 77383
(City, State, Zip Code)

(281) 444-7747
(Area Code/Telephone)

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

10835

This tariff is effective in the following county:

Harris County

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

N/A

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

Beaumont Place (PWS ID#1010098); Castlewood Subdivision (PWS ID#1010111); Cypress Bend Subdivision (PWS ID#1010119); Reservoir Acres Subdivision (PWS ID#1010197)

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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 B -- SAMPLE SERVICE AGREEMENT	
APPENDIX C -- APPLICATION FOR SERVICE	

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonage Charge</u>
5/8" x 3/4"	\$23.00 (Includes 0 gallons)	\$2.15 per 1000 gallons up to 20,000 gallons
3/4"	\$23.00	\$2.40 per 1000 gallons from 20,001 to 35,000 gallons
1"	\$57.50	\$2.65 per 1000 gallons from 35,001 to 50,000 gallons
1 1/2 "	\$115.00	\$3.00 per 1000 gallons from 50,001 gallons and up
2"	\$184.00	*Plus Pass Through fees below
3"	\$345.00	

*Pass Through For Cypress Bend Subdivision:

\$4.00 per 1000 gallons additional fee will be added as a Pass Through charge by North Harris County Regional Water Authority (NHCRWA) for the customers in Cypress Bend Subdivision.

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\$0.99 per 1000 gallons (which is \$0.8526 plus line loss of 15 percent) will be added as a Pass Through charge by the City of Houston for customers in Castlewood Subdivision.

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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 FEE TO THE TCEQ

Section 1.02 - Miscellaneous Fees

TAP FEE.....\$600.00

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.

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50).....\$50.00

COMMERCIAL & NON-RESIDENTIAL DEPOSIT.....1/6TH OF ESTIMATED ANNUAL BILL.

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SECTION 1.0 -- RATE SCHEDULE (Continued)

RETURNED CHECK CHARGE \$25.00
RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

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 \$35.00
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) \$5.00
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

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.

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 CONVERSION FEE Actual Conversion Cost, Not to Exceed Tap Fee
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS CHANGE OF SIZE OF AN EXISTING METER OR CHANGE IS REQUIRED BY MATERIAL CHANGE IN CUSTOMER'S SERVICE DEMAND.

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

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:

WHEN AUTHORIZED IN WRITING BY PUC AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [30 TAC 24 21(K)(2)]

SECTION 1.0 -- RATE SCHEDULE (Continued)

PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE:

CHANGES IN FEE IMPOSED BY ANY NON-AFFILIATED THIRD PARTY WATER SUPPLIER OR UNDER GROUND WATER DISTRICT HAVING JURISDICTION OVER THE UTILITY SHALL BE PASSED THROUGH AS AN ADJUSTMENT TO THE WATER GALLONAGE CHARGE ACCORDING TO THE FOLLOWING FORMULA:

- AG = $\{G / (1 - L)\}$, where
- AG = adjusted gallonage charge, rounded to the nearest one cent;
- G = new gallonage charge (per 1,000 gallons);
- L = line loss for preceding 12 months, not to exceed 0.15