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DOCKET NO. 48462

APPLICATION OF MANVEL TERRACE §
UTILITIES, INC. FOR A PRICE INDEX §
RATE ADJUSTMENT §

2018 SEP 20 PM 3:10
PUBLIC UTILITY COMMISSION
FILING CLERK
OF TEXAS

NOTICE OF APPROVAL

This Notice addresses the application of Manvel Terrace Utilities, Inc. for a price-index rate adjustment. The Commission adjusts Manvel Terrace's monthly base rate to \$33.48 and the gallonage rate to \$3.91.

The Commission adopts the following findings of fact and conclusions of law:

I. Findings of Fact

Applicant

1. Manvel Terrace is a for-profit corporation registered with the Texas Secretary of State under file number 0078001700.
2. Manvel Terrace holds certificate of convenience and necessity (CCN) number 12080, operates public water system number 0200102 and serves 77 connections.

Application

3. On June 13, 2018, Manvel Terrace filed an application for a price-index rate adjustment and proposed an effective date of July 31, 2018.
4. Manvel Terrace requested an adjustment to its monthly base rate and gallonage rate based on the Commission's current price index of 3.50%.
5. Manvel Terrace indicated it needs the increase to address water system well issues. The system experienced an outage over the Memorial Day weekend.
6. In Order No. 2 issued on July 24, 2018, the administrative law judge (ALJ) found the application administratively complete.

Rate Adjustment Requested

7. Manvel Terrace proposed increasing the monthly base rate from \$32.35 to \$33.48 and the

gallage rate from \$3.78 to \$3.91 per 1,000 gallons.

8. On July 13, 2018, Commission Staff proposed an effective date of August 31, 2018 for the rate increase and recommended that the ALJ direct Manvel Terrace to provide notice at least 30 days before the effective date of the proposed rate change.

Notice

9. In Order No. 2 issued on July 24, 2018, the ALJ directed Manvel Terrace to issue notice to customers 30 days before the effective date of August 31, 2018.

Filing Schedule

10. A class C utility with a CCN number ending in 80 may file an application for a price-index rate adjustment in the month of September, unless good cause is shown for filing in a different month.
11. The Commission last approved a rate increase for Manvel Terrace, a 1.57% price-index rate adjustment in 2016, in Docket No. 46559.¹
12. Prior to the rate increase in 2016, Manvel Terrace increased its rates in 2007.²
13. Manvel Terrace's recent issues with its water system and minimal increases to rates in recent years demonstrate good cause for filing this application outside of the scheduled month of September.

Annual Report

14. Manvel Terrace must file its annual service, financial, and normalized earnings report which is due on June 1 of each year, as required by 16 Texas Administrative Code (TAC) § 24.73.

Informal Disposition

15. Manvel Terrace and Commission Staff are the only parties to this proceeding.
16. No party requested a hearing.

¹ *Application of Manvel Terrace Utilities, Inc. for a Price Index Rate Adjustment*, Docket No. 46559, Notice of Approval (Dec. 29, 2016).

² *Id.* see *Application of Manvel Terrace for a Price Index Rate Adjustment*.

17. On July 13, 2018, Commission Staff recommended approval of the application.

II. Conclusions of Law

1. The Commission has jurisdiction over the application under Texas Water Code (TWC) §§ 13.041 and 13.1872.
2. Manvel Terrace is a utility as defined in TWC § 13.002(23) and is a Class C utility under TWC § 13.002(4-c).
3. Under TWC § 13.1872(f), Manvel Terrace may adjust its rates not more than once each year and not more than four times between rate proceedings under TWC § 13.1871.
4. The Commission-approved price index for calendar year 2018 is 3.5%.³
5. The Commission may make exceptions to sections in chapter 24 for good cause under 16 TAC § 24.2(b).
6. Good cause exists to grant Manvel Terrace an exception to file outside of their scheduled month of September as required by 16 TAC § 24.36(f)(2)(I).
7. Under 16 TAC § 24.73, Manvel Terrace is required to file a service, financial, and normalized earnings report on June 1 of each year.
8. The Commission processed the application in accordance with the requirements of the Administrative Procedure Act (APA),⁴ TWC, and the Commission's rules.

III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders:

1. The Commission adjusts Manvel Terrace's monthly base rate to \$33.48 and the gallonage rate to \$3.91 as reflected in the attached tariff.

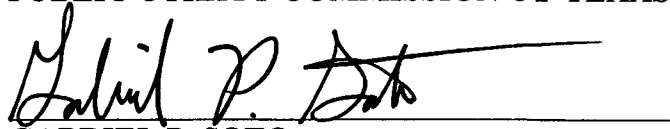
³ Price Index Established Under Texas Water Code § 13.1872 and 16 Texas Administrative Code § 24.36(g), Project No. 45320, Order (Nov. 17, 2017).

⁴ Administrative Procedure Act, Tex. Gov't Code Ann. §§ 2001.001- .902 (West 2016 & Supp. 2017).

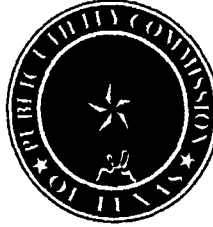
2. Under 16 TAC § 24.2, the Commission grants a good cause exception for Manvel Terrace to be allowed to file outside of their scheduled month of September.
3. Manvel Terrace is required to file all future rate adjustment applications according to the schedule in 16 TAC § 24.36.
4. Manvel Terrace is required to timely file a service, financial, and normalized earnings report by June 1 of each year as required under 16 TAC § 24.73.
5. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the 20TH day of September 2018.

PUBLIC UTILITY COMMISSION OF TEXAS



GABRIEL P. SOTO
ADMINISTRATIVE LAW JUDGE



**WATER UTILITY TARIFF
Docket Number 48462**

Marvel Terrace Utilities, Inc.
(Utility Name)

2460 Country Club Drive
(Business Address)

Pearland, Texas 77581
(City, State, Zip Code)

(281) 485-0550
(Area Code/Telephone)

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

12080

This tariff is effective in the following county:

Brazoria

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

None

This tariff is effective in the following subdivisions or systems:

Marvel Terrace Subdivision (PWS 0200102)

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	

SECTION 1.0 - RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonge Charge</u>
5/8" or 3/4"	<u>\$33.48</u> (Includes 1000 gallons)	<u>\$3.91</u> per 1000 gallons

FORM OF PAYMENT: THE UTILITY WILL ACCEPT THE FOLLOWING FORM(S) 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 THE FEE TO THE TCEQ.

Section 1.02 - Miscellaneous Fees

TAP FEE..... \$400.00
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 (Large meter)..... Actual Cost
TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.

METER RELOCATION FEE ACTUAL COST TO RELOCATE METER 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.

SECTION 1.0 - RATE SCHEDULE (CONT.)

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) Non payment of bill (Maximum \$25.00)..... \$25.00
- b) Customer's request that service be disconnected..... \$40.00

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)..... \$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.

RETURNED CHECK CHARGE..... \$25.00

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 TNRC 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).

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.