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**SOAH DOCKET NO. 473-20-1117.WS
PUC DOCKET NO. 48697**



**APPLICATION OF ANDERSON §
WATER COMPANY, INC. FOR §
AUTHORITY TO CHANGE RATES §**

**PUBLIC UTILITY COMMISSION
OF TEXAS**

COMMISSION STAFF'S MOTION FOR INTERIM RATES

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and files this Motion for Interim Rates. In support thereof, Staff would show the following:

I. BACKGROUND

On October 1, 2018, Anderson Water Company (Anderson) filed an application for a water rate/tariff change under Certificate of Convenience and Necessity (CCN) No. 11675 in Grimes County. On May 8, 2019, the Commission administrative law judge issued Order No. 7 suspending the proposed effective date of the rate change for two hundred sixty-five days from April 26, 2019.¹

On December 13, 2019, Anderson requested “an extension of the jurisdictional deadline[.]” In a joint filing dated January 10, 2020, Staff and Anderson requested a new effective date of December 1, 2019. SOAH Order No. 3, issued on January 13, 2020, discussed the parties’ agreement to extend the effective date, but did not actually grant the extension, and SOAH Order No. 4 issued on January 24, 2020 directed the parties to be prepared to discuss the effective date at the prehearing conference for this case. In SOAH Order No. 5, the SOAH ALJ directed Anderson to “file a report stating whether its rates went into effect January 16, 2020, as authorized by law, and whether it agrees to extend the effective date, and if so, the date certain to which it agrees to extend it.” Anderson filed a letter along with its direct testimony once again stating that it agreed to extend the effective date to December 1, 2019.

The Parties are currently engaged in mediation and are working toward a resolution of this docket that is reasonable and in the public interest. However, it has come to Staff’s attention that Anderson began charging the proposed rates beginning with usage for May

¹ Two hundred and sixty-five days from April 26, 2019 was January 16, 2020.

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2019 despite the suspension of the effective date issued in Order No. 7. After conferring with Anderson, it is Staff's understanding that Anderson did not fully understand the effect of Order No. 7 and did not understand that Anderson was not authorized to begin charging the new rates for 265 days.

II. MOTION FOR INTERIM RATES

Pursuant to 16 Texas Administrative Code § 24.37, Staff requests approval of interim rates that are identical to the rates in Anderson's current tariff as shown in the tables below:

Monthly base rate including 3,000 gallons:

Meter size	Cost per month
5/8" or 3/4"	\$24
1"	\$34
1 1/2"	\$59
2"	\$89
3"	\$159
4"	\$259

Gallorage Charge:

Volume	Charge per 1,000 gallons
3,001 to unlimited gallons	\$3

Miscellaneous Fee:

Item	Fee
Tap fee	\$300
Reconnect fee:	\$25
Non-payment	
Customer's request	\$25
Transfer fee	\$10
Late charge	\$2
Returned check charge	\$35
Deposit	\$50
Meter test fee	\$25

Under 16 TAC § 24.37(d), "[i]nterim rates may be established by the commission in those cases under the commission's original or appellate jurisdiction where the proposed increase in rates could result in an unreasonable economic hardship on the utility's customers..." Approving the proposed interim rate is appropriate because, at a minimum, Anderson should not have been charging the proposed rates during the suspension period established in Order

No. 7. Implementing the current rates as interim rates will help offset any over-collection by Anderson that could result from Anderson charging its requested rates during this period. Although Staff's review of the application and discovery responses indicates that Anderson is due for a rate increase, Staff believes that the requested increase should be adjusted downward. In addition, Staff believes that approving an interim rate will eliminate further need to discuss and resolve the jumbled procedural history related to the proposed effective date, the 265-day suspension period, and the corresponding statutory deadline.

Because Anderson did not willfully violate the suspension of the proposed effective date, Staff recommends that the interim rate should not be subject to refund or surcharge once the Commission approves a final rate in this proceeding.²

III. CONCLUSION

Staff respectfully requests that interim rates be established at Anderson's current rates in its approved tariff until the Commission establishes a final rate in this docket.

Dated: August 17, 2020

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF
TEXAS
LEGAL DIVISION**

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² See, 16 TAC § 24.39(h)-(i).

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CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on August 17, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ John Harrison
John Harrison