



Control Number: 48697



Item Number: 81

Peter M. Lake
Chairman

Will McAdams
Commissioner

Lori Cobos
Commissioner

Jimmy Glotfelty
Commissioner



Greg Abbott
Governor

Thomas J. Gleeson
Executive Director

Public Utility Commission of Texas

TO: Peter M. Lake, Chairman
Will McAdams, Commissioner
Lori Cobos, Commissioner
Jimmy Glotfelty, Commissioner

All Parties of Record

FROM: Stephen Journeay, Commission Counsel

DATE: 14 April 2022

RE: April 21, 2022 Open Meeting – Item No. 26

Docket No. 48697 – *Application of Anderson Water Company, Inc. for Authority to Change Rates*

A proposed order in the above-referenced docket is posted for consideration and action by the Commission. If the Commission adopts the proposed order, I recommend the following changes.

There is a discrepancy between the proposed tariff and the parties' agreement. The tariff, attached to the agreement as attachment B, contains a provision regarding a rate-case expense surcharge for this proceeding. The rate for the surcharge is consistent with the parties' agreement; however, the proposed tariff language regarding the collection period for the rate-case expense surcharge is consistent with neither the agreement nor ordering paragraph 9 in the proposed order.

The agreement states that Anderson Water may recover up to \$13,668 in rate-case expenses for this docket. The agreement further states that Anderson Water may collect the surcharge for 12 months through a surcharge of \$2.74 per connection per month. The agreement and the tariff both state that Anderson Water may collect the surcharge for 12 months or until the full \$13,668 is collected, whichever occurs first. However, the tariff language also states that if the full \$13,668 has not been recovered after 12 months, the utility may continue to bill the surcharge until the remaining balance is collected. This tariff language conflicts with the agreement provision regarding the time period for collection of the rate-case surcharge.

If the Commission adopts the proposed order, it should direct OPDM to revise the final order to direct the parties to modify the tariff to be consistent with the agreement. Additionally, the Commission should direct OPDM to revise ordering paragraph 13 to require Commission Staff to file a clean copy of the tariff with Central Records within 21 days of the final order to give Commission Staff sufficient time to revise and file the tariff approved by the final order.

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