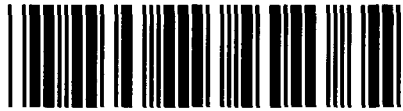


Control Number: 48796



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Addendum StartPage: 0

DOCKET NO. 48796

APPLICATION OF CHUCK BELL §
WATER SYSTEMS, L.L.C. FOR §
APPROVAL OF A PASS-THROUGH §
RATE CHANGE §

PUBLIC UTILITY COMMISSION

2018 NOV 15 AM 9:29
PUBLIC UTILITY COMMISSION
OF TEXAS FILING CLERK

COMMISSION STAFF'S FINAL RECOMMENDATION

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Final Recommendation, recommending that the Application be approved. In support thereof, Staff shows the following:

I. BACKGROUND

On October 18, 2018, Chuck Bell Water Systems (Applicant) filed an application requesting approval to recover a sampling fee surcharge of \$200.00 for Lead and Copper testing from 24 customers in the Martin Creek Subdivision. The Applicant proposed to impose the surcharge during the December 2018 billing cycle for a period of one month only.

On October 19, 2018, the Commission Administrative Law Judge (ALJ) issued a Notice Requiring Staff's Recommendation, requiring that on or before November 19, 2018, Staff file a recommendation on the application, or propose a procedural schedule if necessary. Therefore, this pleading is timely filed.

II. RECOMMENDATION

Staff has reviewed the Application and, based on the attached memorandum of Kathryn Eiland of the Commission's Water Utility Division, recommends that the Application be approved by Staff pursuant to 16 Tex. Admin. Code (TAC) § 24.25(b)(2)(G)(ii)(I), with the caveat that the Applicant may only bill \$8.33 per connection and not \$8.42 per connection as requested on the application.

Additionally, consistent with the attached memorandum, Staff also recommends that customers be provided notice of the surcharge in the December billing cycle affected by this application, and that Applicant must not collect more than the expenses incurred by the water sampling.

III. CONCLUSION

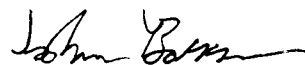
Staff respectfully requests that the ALJ issue an Order consistent with this recommendation.

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF
TEXAS LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Katherine Lengieza Gross
Managing Attorney



Joshua Adam Barron
State Bar No. 24087146
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7235
(512) 936-7268 (facsimile)
Joshua.Barron@puc.texas.gov

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on November 15, 2018 in accordance with 16 TAC § 22.74.



Joshua Adam Barron

PUC Interoffice Memorandum

To: Joshua Barron, Attorney
Legal Division

Thru: Debi Loockerman, Financial Manager
Water Utility Regulation Division

From: Kathryn Eiland, Financial Analyst
Water Utility Regulation Division

Date: November 8, 2018

Subject: **Tariff Control No. 48796:** *Application of Chuck Bell Water Systems L.L.C. for Approval of a Pass-Through Rate Change*

On October 18, 2018, Chuck Bell Water Systems L.L.C (Applicant) filed an application for a sampling fee surcharge to affected customers in the in the Martin Creek Subdivision (PWS #1260122). The surcharge is to recover certain water sampling costs not included in the Applicant's current cost of service. The Applicant confirmed in Tariff Control No. 47999 that only the cost of Nitrate testing was included in the cost of service in their previous rate case.

The Applicant is requesting approval to collect \$200.00 for Lead and Copper testing from customers in the Martin Creek Subdivision (PWS #1260122). The Applicant calculated the surcharge as \$8.42 for a period of one month with the December 2018 billing cycle for 24 connections. However, Staff calculated the surcharge as \$8.33.

$\$200.00/24 \text{ connections} = \8.33

Based upon review of the application, Staff recommends the following:

- a) Approval of the sampling fee surcharge application authorizing the Applicant to collect \$8.33 per 24 connections in the Martin Creek Subdivision for one (1) month effective in the December 2018 billing cycle.
- b) The Applicant's bill which includes the surcharge should include the following short statement noticing customers of the purpose and authority to surcharge:

"A sampling surcharge has been approved by the Public Utility Commission of Texas (PUC) to cover sampling fees incurred by the utility and required by the Safe Drinking Water Act."; and
- c) The order approving the application include a statement that the Applicant is not authorized by the Commission to collect more than the total approved amount.