



Control Number: 48819



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SOAH DOCKET NO. 473-20-1674.WS
PUC DOCKET NO. 48819



APPLICATION OF NORTHTOWN
ACRES WATER SUPPLY FOR
AUTHORITY TO CHANGE RATES

§ BEFORE THE STATE OFFICE
§
§ OF
§ ADMINISTRATIVE HEARINGS

NORTHTOWN ACRES' RESPONSE TO SOAH ORDER NO. 4

Sheroll and Roger Richardson d/b/a Northtown Acres Water Company (Northtown Acres) and Staff (Staff) of the Public Utility Commission (Commission) jointly file this Response to State Office of Administrative Hearings (SOAH) Order No. 4. In support thereof, movants respectfully shows as follows:

I. BACKGROUND

SOAH Order No. 4, issued March 5, 2020, directed Staff and Northtown Acres to file revised interim rates that address the structural problems in the existing rate design, particularly the inclusion of 2,000 gallons of usage in the minimum monthly charge, establishing a monthly charge for all meter sizes served, and a pass-through charge that recovers the purchased water costs. SOAH Order No. 4 also required Staff and Northtown Acres to provide schedules showing that the revenues generated by their proposal match those of Northtown Acres' alternative proposal. The deadline for Staff's and Northtown Acres filing is March 31, 2020. Therefore, this pleading is timely filed.

Pursuant to agreement, all parties to this proceeding have agreed to electronic service of all pleadings.

II. RESPONSE TO SOAH ORDER NO. 4

Northtown Acres and Staff are providing the attached proof of revenues and rate design in response to SOAH Order No. 4.

Interim Rates Pursuant to SOAH Order No. 4	
Minimum monthly charge (including zero gallons of usage)	
5/8 inch meter	\$18.75
¾ inch meter	\$28.05
1 inch meter	\$46.75
1 ½ inch meter	\$93.50
2 inch meter	\$149.60
1,000 – 10,000 gallons	\$3.00
10,001 – 25,000 gallons	\$3.25
25,001+ gallons	\$3.75
Pass-through rate for purchased water	<i>\$1.96</i>

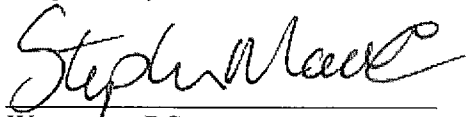
The attached rate design required manually recreating the monthly gallonage usage by tier from the monthly billing registers for the test year. In an effort to conserve resources, Northtown Acres and Staff have agreed to use the attached monthly gallonage usage for the test year in ultimately setting rates in this case and as a proxy for determining any over or under collection balance in this case.

Northtown Acres has provided the attached proof of revenues and rate design to Mr. Frank Marx and Mr. Mark Parker. Mr. Marx agrees that the calculations are in compliance with SOAH Order No. 4.

III. CONCLUSION

For the above stated reasons, Northtown Acres and Staff respectfully request that the SOAH ALJs approve the above referenced interim rates.

Respectfully submitted,



WINSTEAD PC

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ATTORNEYS FOR NORTHTOWN ACRES

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Rachelle Nicolette Robles
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CERTIFICATE OF SERVICE

I certify that on March 31, 2020, a true and correct copy of the foregoing instrument was served on all parties of record by electronic service, hand delivery, Federal Express, regular first class mail, certified mail, or facsimile transmission.



Stephen Mack

Staff's Recommended Interim Rates			
Minimum Bill			
(includes 0 gallons)			
5/8"		\$	18 70
3/4"		\$	28 05
1"		\$	46.75
1 1/2"		\$	93 50
2"		\$	149 60
3"			
4"			
6"			
Gallage Rates			
0	to	10,000	\$ 3 00
10,001	to	25000	\$ 3 25
25001			\$ 3 75
No. of Meters			
5/8"			121
3/4"			-
1"			32
1 1/2"			3
2"			2
3"			-
4			-
6			-
Total			158
Gallons Billed			
0	to	10000	10,199,000
10001	to	25000	2,867,000
25001	0	0	2,190,000
Total			15,256,000
REVENUE			
Base Rate			
5/8"		\$	27,152
3/4"		\$	-
1"		\$	17,952
1 1/2"		\$	3,366
2"		\$	3,590
3"		\$	-
4		\$	-
6		\$	-
Total revenue generated by Minimum Charge		\$	52,061
Volumetric Revenue			
0	to	10000	\$ 30,597
10001	to	25000	\$ 9,318
25001	to	0	\$ 8,213
Total revenue generated by Gallage Charge		\$	48,127
Surcharge Revenue		\$	29,902
Total Revenue Generated		\$	130,090

1.5
2.5
5
8
15
25

1.96

Month	1 - 2,000	2,001 - 10,000	10,001 - 25,000	25,001+	Total
January	244,000	351,000	61,000	78,000	734,000
February	272,000	511,000	96,000	49,000	928,000
March	267,000	501,000	168,000	48,000	984,000
April	262,000	394,000	68,000	13,000	737,000
May	284,000	618,000	272,000	155,000	1,329,000
June	285,000	673,000	346,000	179,000	1,483,000
July	277,000	672,000	361,000	281,000	1,591,000
August	293,000	740,000	389,000	389,000	1,811,000
September	289,000	737,000	487,000	551,000	2,064,000
October	283,000	582,000	275,000	187,000	1,327,000
November	282,000	550,000	172,000	130,000	1,134,000
December	282,000	550,000	172,000	130,000	1,134,000
TOTAL	3,320,000	6,879,000	2,867,000	2,190,000	15,256,000