



Control Number: 48819



Item Number: 208

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PUCT DOCKET NO. 48819

RATEPAYER COMMENTS/REQUESTS TO INTERVENE

If you wish to PROTEST the proposed rate change, you must submit this form and 10 copies *by April 5, 2021* to:

Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

Unless protests are received from at least 10% of ratepayers or from any affected municipality, or the Commission Staff requests a hearing, no hearing will be held, and the rates will be effective as proposed.

CUSTOMER INFORMATION (to be completed by customers submitting protests)

First Name: Allen Last Name: Bishop

Phone Number: 2144182749 Fax Number: _____

Email Address: allenbishop@spgglobal.net

Address, City, State: 3806 NWCR 003

Location where service is received: _____
(if different from the mailing address)

Please fill out the following:

I wish to PROTEST the following proposed rate action/s:

☒ I wish to be a COMMENTER. I understand that: I am NOT a party to this case; my comments are not considered evidence in this case; and I have no further obligation to participate in the proceeding. Public comments may help inform the PUCT of the public concerns and identify issues to be explored. Please provide comments below. Attach a separate page, if necessary.

Rate increases are excessive. Would like state investigation of rate increase. + independent

☐ I am requesting to INTERVENE in this proceeding. As an INTERVENOR, I understand that: I am a party to the case; I am required to respond to all discovery requests from other parties; I may be required to attend hearings, and if I file testimony, I may be cross-examined in the hearing; if I file any documents in the case, I must provide a copy to every other party in the case; and I acknowledge that I am bound by the Procedural Rules of the PUCT and the State Office of Administrative Hearings (SOAH).

Signature of Protestor:

Allen Bishop Date: 3-6-21

Si desea informacion en Espanol, puede llamar al
1-888-782-8477

Hearing- and speech-impaired individuals with text telephones may contact the PUCT's Customer Assistance Hotline
at

512-936-7136

208

PUCT DOCKET NO. 48819

**NOTICE OF PROPOSED RATE CHANGE
PURSUANT TO
TEXAS WATER CODE §§ 13.1871 AND 13.18715**

Northtown Acres Water Supply

Company Name

CCN Number(s)

2021 MAR 15 AM 9:13
11704

has filed a rate change application with the Public Utility Commission of Texas (Commission or PUCT). The application may be reviewed online at interchange.puc.texas.gov. You may also inspect a copy of the rate change application at your utility's office at the address below or at the Commission's office (1701 N. Congress Ave, Austin, TX 78701). The proposed rates will apply to service received after the effective date provided below, unless modified or suspended by the Commission. If the Commission receives a sufficient number of protests, separately or in a combined protest letter, from at least [number of] ratepayers (10 percent of the utility's customers over whose rates the Commission has original jurisdiction) or from any affected municipality before the 91st day after the proposed effective date, the matter will be set for hearing. **See Protest Form on the next page for instructions on how to protest.**

EFFECTIVE DATE OF PROPOSED INCREASE: April 5, 2021

(must be at least 35 days after notice is provided to customers and 35 days after application is filed)

(Proposed rates requested by the utility are not final. The Commission may modify the rates and order a refund or credit against future bills all sums collected during the pendency of the rate proceeding in excess of the rate finally ordered plus interest.)

Reason(s) for Proposed Rate Change:

The proposed rate increase is necessary to recover Northtown Acres' cost of providing retail water service to customers. Current rates do not recover the majority of Northtown Acres' employee expense, purchase water expense, and return on and of utility investment as required by Texas law.

BILLING COMPARISON

Water

Existing	5,000 gallons: \$	<u>33.75</u>	/mo	Proposed	5,000 gallons: \$	<u>77.00</u>	/mo
Existing	10,000 gallons: \$	<u>48.75</u>	/mo	Proposed	10,000 gallons: \$	<u>119.00</u>	/mo

Water – Pass Through Charges

Existing	5,000 gallons: \$	<u>9.80</u>	/mo	Proposed	5,000 gallons: \$	<u>0</u>	/mo
Existing	10,000 gallons: \$	<u>19.60</u>	/mo	Proposed	10,000 gallons: \$	<u>0</u>	/mo

Sewer

Existing	5,000 gallons: \$	<u>N/A</u>	/mo	Proposed	5,000 gallons: \$	<u>N/A</u>	/mo
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Entire system of Northtown Acres Water Supply, including Northtown Acres and North Petty Chapel, Also the Office of Public Utility Counsel

Subdivision(s) or System(s) Affected by Rate Change

18770 F.M. 709 N.	Dawson	Texas	76639
Company Address	City	State	Zip

254-578-1622

Company Phone Number

\$129,630	\$0	N/A
Water Annual Revenue Increase	Water Pass-Through Annual Revenue Increase	Sewer Annual Revenue Increase

March 1, 2021

Date Current Rate Change Notice Delivered

April 6, 2020

Date of Last Rate Change

NOTICE OF PROPOSED RATE CHANGE – WATER

CURRENT RATES				PROPOSED RATES			
Minimum Monthly Charge includes		0	gallons	Minimum Monthly Charge includes		0	gallons
Meter Size: RESIDENTIAL				Meter Size: RESIDENTIAL			
5/8"		\$	18.75	5/8"		\$	35.00
3/4"		\$	28.05	3/4"		\$	52.50
1"		\$	46.75	1"		\$	87.50
1 1/2"		\$	93.50	1 1/2"		\$	175.00
2"		\$	149.60	2"		\$	280.00
3"		\$		3"		\$	
Other:		\$		Other:		\$	
GALLONAGE CHARGE:				GALLONAGE CHARGE:			
TIER	VOLUME	CHARGE per 1000 gals.		TIER	VOLUME	CHARGE per 1000 gals.	
Tier 1	0 to 10,000 gals.	\$	3.00 /1000 gals.	Tier 1	0 to 10,000 gals.	\$	8.40 /1000 gals.
Tier 2	10,001 to 25,000 gals.	\$	3.25 /1000 gals.	Tier 2	10,001 to 25,000 gals.	\$	9.66 /1000 gals.
Tier 3	25,001 to gals.	\$	3.75 /1000 gals.	Tier 3	25,001 to gals.	\$	10.08 /1000 gals.
Tier 4	to gals.	\$	/1000 gals.	Tier 4	to gals.	\$	/1000 gals.
Tier 5	to gals.	\$	/1000 gals.	Tier 5	to gals.	\$	/1000 gals.
Pass-through rate for purchased water -- \$ 1.96/ 1000 gals.							
MISCELLANEOUS FEES				MISCELLANEOUS FEES			
Tap Fee		\$	300.00	Tap Fee 3/4"		\$1,000	
				Tap Fee 1"		\$1,500	
Reconnect Fee: Non-payment		\$	25.00	Reconnect Fee: Non-payment (Maximum - \$25.00)		\$ 25.00	
Customer's Request		\$	45.00	Customer's Request		\$ 45.00	
Transfer Fee		\$	N/A	Transfer Fee		\$ 45.00	
Late Charge		\$	5.00	Late Charge (Indicate either \$5.00 or 10%)		\$ 10%	
Returned Check Charge		\$	10.00	Returned Check Charge		\$ 30.00	
Deposit		\$	50.00	Deposit (Maximum \$50.00)		\$ 50.00	
Meter Test Fee		\$	25.00	Meter Test Fee (Maximum - \$25.00)		\$ 25.00	

Regulatory Assessment of 1% is added to the minimum monthly charge and gallonage charges.
Additional fees and meter sizes may be shown on a separate page.

If applicable, list any bill payment assistance programs to low income ratepayers.

Notice of Pass-Through Charge

Notice is hereby given that the Commission may approve a pass-through formula and may approve pass through rates for Northtown Acres to recover all or a portion of the purchased water costs incurred by Northtown Acres from the City of Corsicana. Although the mechanics of the pass-through clause will be an issue to be addressed in this case, two alternative proposals are provided in the application. The first proposal, requested by Northtown Acres, would only recover through a future pass through adjustment the incremental increases in the \$4.15 third-tier rate approved by the City of Corsicana. The second proposal would remove all purchased water costs from the base rates in this proceeding and recover them through a separate pass-through charge. The two proposal are described in more detail below.

Recovery of Incremental Amounts through Pass-Through

Northtown Acres requests a pass-through clause that would collect from customers any future increase that the City of Corsicana adopts in excess of the current \$4.15 charge for volumes sold in excess of 25,000 gallons per month. Initially, the pass-through charge would be \$0 and would only change if Northtown Acres were to file, and the Commission were to approve, a pass-through adjustment under 16 Texas Administrative Code (“TAC”) § 25.25(b)(2)(C). The pass-through formula requested is as follows:

VI-6(a): PASS-THROUGH SURCHARGE CALCULATION

	A	B	C
Line No.	Description	Fixed/Variable/Calculated	Example (\$0.35 increase)
1.	Corsicana Tier 3 Volumetric Rate 2019	\$4.15	\$4.15
2.	Corsicana Tier 3 Volumetric Rate 20XX	\$X	\$4.50
3	Incremental Rate (Line 2 - Line 1)	Calculated	\$0.35
4	20XX Line Loss %	Y%	4.58%
5	Pass Through Rate	Calculated	\$0.37
	Line 5= Line 3 * (1/(1- Line 4))		

VI-6(b): LINE LOSS

	A	B	C
Line No.	Description	Fixed/Variable/Calculated	Example
1.	Corsicana Volumes Purchased 20XX	XX gallons	\$20,753,000.00
2	Volumes Built into Base Rates	600,000	\$600,000.00
3	Adj'd Purchased Volumes (Ln. 1- Ln. 2)	Calculated	\$20,153,000.00
4	Northtown Metered Volumes 20XX	YY gallons	\$19,230,000.00
5	20XX Line Loss Volumes (Ln 3 - Ln 4)	Calculated	\$923,000.00
6	20XX Line Loss % (Ln 5 / Ln 3)	Y% Calculated	4.58%

The variables to be used in each adjustment under 16 TAC § 25.25(b)(2)(C) would be 1) the City of Corsicana 25,001 and up volumetric rate, 2) the annual gallons purchased, 3) the annual gallons sold.

Recovery of All Purchased Water Costs through Pass-Through

The alternative pass through charge is designed to remove all purchased water charges incurred by the Northtown Acres from the City of Corsicana and collect such charges from customers through a pass-through charge. A pass-through charge to collect all charges from the City of Corsicana would collect the meter charge and the charges for the first 25,000 gallons in a customer charge and the charges for all gallons purchase after the first 25,000 in a volumetric charge. These costs would be removed from base rates, charged separately on customer bills, and subject to change for any changes in rates approved by the City of Corsicana in a proceeding filed under 16 TAC § 25.25(b)(2)(C).

The customer charge would be calculated as follows:

VI-5(a): CUSTOMER PASS-THROUGH SURCHARGE CALCULATION

A		B	C
Line No.	Description	Calculation	Amount
1.	Meter Charges = $\$321.80 * 2$	4" meter charge (\$321.80) by City of Corsicana * 2 meters * 12 months	\$7,723
2	First 10,000 Gallons	0-10k Gallon Charge (\$3.90) * 10 * 2 * 12	\$936
3	10,001 - 25,000 Gallons	10-25k Gallon Charge (\$4.05) * 15 * 2 * 12	\$1,458
3.	Annual Meters		2,532
4.	Base Pass-Through Surcharge Calculation ((Line 1+Line 2+Line 3)/Line 4)		\$4.00

And the volumetric charge would be calculated as follows:

**VI-5(b): VOLUMETRIC PASS_THROUGH SURCHARGE
CALCULATION**

	A	B	C
Line No.	Description	Calculation	Amount
1.	Volumetric Rate	Corsicana Third Tier = \$4.15/ (1- Line Loss .0734)	\$4.48
2.	Adjustment for Volumes under 25K	Corsicana Volumes – 600,000 gal./ Corsicana Volumes	0.97109
3.	Pass Through Volumetric Rate (Line 1 * Line 2)		4.35
4.	Line Loss = (Gallons Purchased – Gallons Sold)/ Gallons Purchased		.0743

The variables to be used in each adjustment under 16 TAC § 25.25(b)(2)(C) would be 1) the City of Corsicana Meter Charge, 2) the City of Corsicana 0-10,000 volumetric rate, 3) the City of Corsicana 10,001 – 25,000 volumetric rate, 4) the City of Corsicana 25,001 and up volumetric rate, 5) the annual gallons purchased, 6) the annual gallons sold, and 7) the annual customer count.