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DOCKET NO. 49223

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APPLICATION OF KAREN REEVES §
DBA R&N ENTERPRISES FOR A PRICE §
INDEX RATE ADJUSTMENT §

PUBLIC UTILITY COMMISSION
PUBLIC UTILITY COMMISSION
FILING CLERK
OF TEXAS

NOTICE OF APPROVAL

This Notice addresses the application of Karen Reeves dba R&N Enterprises (R&N) for a price index rate adjustment. The Commission adjusts R&N's water base rate to \$30.96 and block gallonage rate to \$5.16 per 1,000 gallons.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

1. R&N provides water service under certificate of convenience and necessity (CCN) number 11644.
2. R&N operates Texas Commission on Environmental Quality (TCEQ)-approved public water system ID No. 0490041 (Pleasant Ridge Addition) and ID No. 0490030 (Timber Creek Addition) which serves 110 connections.

Application

3. On February 14, 2019, R&N filed an application for a price-index rate adjustment to its water rates.
4. An effective date of May 1, 2019 was proposed.
5. On March 5, 2019, R&N filed an amended application for a price-index rate adjustment to its water rates.
6. In Order No. 2 issued on March 19, 2019, the administrative law judge (ALJ) deemed the application administratively complete.

Rate Adjustment

7. R&N requested an adjustment to its water-tariff base-rate monthly meter charge and its water gallonage rates based on the Commission's current price index of 3.20%.¹
8. R&N proposed increasing the monthly water base rate from \$30.00 to \$30.96 and the block gallonage rate from \$5.00 to \$5.16 per 1,000 gallons.

Filing Schedule

9. In accordance with 16 TAC § 24.49(f)(2), a class C utility with a CCN number ending in 28-54 may file an application for a price-index rate adjustment in Quarter 2, April through June, unless good cause is shown for filing in a different month.
10. R&N filed in February with CCN number ending in 44.
11. R&N demonstrated good cause to file outside of the assigned quarter.
12. This filing is the first price index adjustment for R&N.

Annual Report

13. R&N must file its annual service, financial, and normalized-earnings report on June 1 of each year as required by 16 TAC § 24.129.

Tariff

14. On March 14, 2019, Commission Staff filed the proposed tariff as an attachment to its recommendation.

Informal Disposition

15. More than 15 days have passed since the completion of notice provided in this docket.
16. No person filed a protest or motion to intervene.
17. R&N and Commission Staff are the only parties to this proceeding.
18. No party requested a hearing and no hearing is needed.
19. Commission Staff recommended approval of the application.
20. This decision is not adverse to any party.

¹ *Proceeding to Establish the Calendar Year 2019 Price Index for Rate Adjustments Under Texas Water Code § 13.1872*, Docket No. 45320, Order (Nov. 8, 2018).

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. The Commission has jurisdiction over the application under Texas Water Code (TWC) § 13.1872.
2. R&N is a utility as defined in TWC § 13.002(23) and is a class C utility under TWC § 13.002(4-c).
3. Under TWC § 13.1872(f), R&N may adjust its rates not more than once each year and not more than four times between rate proceedings under TWC § 13.1871.
4. R&N established good cause for filing the application outside of the schedule established in 16 TAC § 24.49(f)(2).
5. An increase in R&N rates of 3.20% complies with 16 TAC § 24.49(c)(1).
6. The Commission processed the application in accordance with the requirements of the TWC, the Administrative Procedure Act,² and Commission's rules.
7. R&N has demonstrated that it has met the requirements of TWC § 13.1872 and 16 TAC § 24.49 for approval of the rate adjustments.
8. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.
9. Under 16 TAC § 24.49(e), R&N must provide notice after it receives a copy of this Notice and 30 days before the effective date of the proposed change.

III. Ordering Paragraphs

In accordance with the preceding findings of fact and conclusions of law, the Commission issues the following orders:

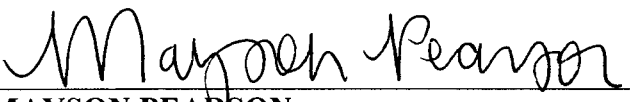
1. A good cause exception is granted to consider the application outside of the schedule established in 16 TAC § 24.49(f)(2).

² Administrative Procedure Act, Tex. Gov't Code §§ 2001.001–.902.

2. The Commission adjusts R&N's monthly water base rate to \$30.96 and the block gallonage rate to \$5.16 per 1,000 gallons.
3. The Commission approves the tariff attached to Commission Staff's recommendation filed on March 14, 2019, effective 30 days after R&N provides notice to its customers.
4. R&N's new rates may go into effect 30 days after R&N provides notice to customers.
5. R&N must issue notice of the approved rate change to its customers at least 30 days before the effective date of the rate change.
6. Within ten days after R&N files proof of notice, Commission Staff must file a clean copy of the tariff with Central Records to be marked Approved and kept in the Commission tariff book.
7. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the 29th day of March 2019.

PUBLIC UTILITY COMMISSION OF TEXAS



MAYSON PEARSON
ADMINISTRATIVE LAW JUDGE