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DOCKET NO. 49253

RECEIVED

APPLICATION OF LAKE RIDGE §
WATER SYSTEM, LP FOR A PRICE §
INDEX RATE ADJUSTMENT §

PUBLIC UTILITY COMMISSION
PUBLIC UTILITY COMMISSION
FILING CLERK
OF TEXAS

19 APR -9 PM 1:12

NOTICE OF APPROVAL

This Notice of Approval grants the application of Lake Ridge Water System, LP (Lake Ridge) for a price index rate adjustment. The Commission adjusts Lake Ridge’s water base rate to \$38.57 for 5/8 or 3/4-inch meters, \$96.42 for 1-inch meters, \$192.84 for 1 1/2-inch meters, \$308.55 for 2-inch meters, \$578.51 for 3-inch meters, and the block gallonage rate to \$3.86 per 1,000 gallons.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

1. Lake Ridge is a domestic limited partnership registered with the Texas secretary of state under file number 800394205.
2. Lake Ridge provides water service under certificate of convenience and necessity (CCN) number 11113.
3. Lake Ridge operates Texas Commission on Environmental Quality (TCEQ)-approved public water system ID No. 2330029 which serves 437 connections.

Application

4. On February 25, 2019, Lake Ridge filed an application for a price-index rate adjustment to its water rates.
5. Lake Ridge proposed an effective date of May 20, 2019.
6. In Order No. 2 issued on March 27, 2019, the administrative law judge (ALJ) deemed the application administratively complete.

Rate Adjustment

7. Lake Ridge 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. Lake Ridge proposed increasing the monthly water base rate from \$37.37 to \$38.57 for 5/8 inch or 3/4-inch meters, \$93.43 to \$96.42 for 1-inch meters, \$186.86 to \$192.84 for 1 1/2-inch meters, \$298.98 to \$308.55 for 2-inch meters, and \$560.57 to \$578.51 for 3-inch meters.
9. Lake Ridge proposed increasing the block gallonage rate from \$3.74 to \$3.86 per 1,000 gallons.

Filing Schedule

10. In accordance with 16 TAC § 24.49(f)(2), a class C utility with a CCN number ending in 00-27 may file an application for a price-index rate adjustment in Quarter 1, January through March. Lake Ridge filed in February with CCN number ending in 13.
11. This filing is the fourth price index adjustment for Lake Ridge.

Annual Report

12. Lake Ridge must file its annual service, financial, and normalized-earnings report on June 1 of each year as required by 16 TAC § 24.129.

Tariff

13. On March 25, 2019, Commission Staff filed the proposed tariff as an attachment to its recommendation.

Informal Disposition

14. More than 15 days have passed since the completion of notice provided in this docket.
15. No person filed a protest or motion to intervene.
16. Lake Ridge and Commission Staff are the only parties to this proceeding.
17. No party requested a hearing and no hearing is needed.
18. Commission Staff recommended approval of the application.

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).

19. This decision is not adverse to any party.

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. Lake Ridge 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), Lake Ridge may adjust its rates not more than once each year and not more than four times between rate proceedings under TWC § 13.1871.
4. An increase in Lake Ridge rates of 3.20% complies with 16 TAC § 24.49(c)(1).
5. The Commission processed the application in accordance with the requirements of the TWC, the Administrative Procedure Act,² and Commission rules.
6. Lake Ridge has demonstrated that it has met the requirements of TWC § 13.1872 and 16 TAC § 24.49 for approval of the rate adjustments.
7. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.
8. Under 16 TAC § 24.49(e), Lake Ridge must provide notice after it receives a copy of this Notice of Approval 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. The Commission adjusts Lake Ridge's monthly water base rate to \$38.57 for 5/8 or 3/4-inch meters, \$96.42 for 1-inch meters, \$192.84 for 1 1/2-inch meters, \$308.55 for 2-inch meters, \$578.51 for 3-inch meters, and the block gallonage rate to \$3.86 per 1,000 gallons.

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

2. The Commission approves the tariff attached to Commission Staff's recommendation filed on March 25, 2019, effective 30 days after Lake Ridge provides notice to its customers.
3. Lake Ridge's new rates may go into effect 30 days after Lake Ridge provides notice to customers.
4. Lake Ridge must issue notice of the approved rate change to its customers at least 30 days before the effective date of the rate change.
5. Within ten days after Lake Ridge 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.
6. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the 9th day of April 2019.

PUBLIC UTILITY COMMISSION OF TEXAS



MAYSON PEARSON
ADMINISTRATIVE LAW JUDGE