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Item Number: 22

Addendum StartPage: 0

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APPLICATION OF CARROLL WATER §
CO., INC. FOR A PRICE INDEX RATE §
ADJUSTMENT §

PUBLIC UTILITY COMMISSION
PUBLIC UTILITY COMMISSION
FILING CLERK
OF TEXAS

ORDER

This Order addresses the application of Carroll Water Co., Inc. for a price index rate adjustment. Under Texas Water Code (TWC) § 13.1872¹ and 16 Texas Administrative Code (TAC) § 24.49, a Class C utility may, through an expedited procedure, obtain an annual rate adjustment based on changes to the price index. Under TWC § 13.002(4-c), a Class C utility is defined as a public utility that provides retail water or sewer service to fewer than 500 taps or connections. On December 4, 2019, Commission Staff filed a motion for summary decision, asserting that Carroll Water provides water service to more than 500 connections and, therefore, is prohibited by law from obtaining a price index rate adjustment. Carroll Water did not file a response to Commission Staff’s motion for summary decision.

On January 15, 2020, the Commission’s administrative law judge (ALJ) filed a proposal for decision recommending that there is no genuine issue as to any material fact, that Commission Staff is entitled to a decision in its favor as a matter of law, and that Carroll Water’s application should be denied. The Commission adopts the proposal for decision and denies the application, with some minor modifications that do not affect the substance of the Order.

The Commission makes the following modifications to the proposal for decision. The Commission adds findings of fact 5 and 9 for completeness and clarity. The Commission adds conclusion of law 7 to conform with previous orders of the Commission. The Commission modifies ordering paragraph 2 for clarity.

Finally, the Commission makes other non-substantive changes for such matters as capitalization, spelling, grammar, punctuation, style, correction of numbering, and readability.

¹ Except where indicated otherwise, all cites to the Texas Water Code in this Order are to the version of the statutes in effect prior to September 1, 2019, which are applicable to this petition because this proceeding was commenced prior to that date. See, Act of May 25, 2019, 86th Leg., R.S., S.B. 700, §§ 13, 15.

I. Findings of Fact

The Commission adopts the following findings of fact.

1. Carroll Water operates, maintains, and controls facilities that provide water service under certificate of convenience and necessity number 11543, primarily in Ellis county.
2. On June 5, 2019, Carroll Water filed an application seeking a price index rate adjustment for four of the five subdivisions to which the utility provides water service.
3. Carroll Water provides retail water service to more than 500 taps or connections.
4. On December 4, 2019, Commission Staff filed a motion for summary decision.
5. In Order No. 4 filed on December 6, 2019, the ALJ set a deadline of December 30, 2019 for Carroll Water to respond to Commission Staff's motion for summary decision.
6. Carroll Water did not file a response to Commission Staff's motion for summary decision.
7. No hearing was held on the motion for summary decision.
8. In Order No. 5 filed on January 14, 2020, the ALJ admitted as evidence in the record of this proceeding the affidavit of Spencer English of the Commission's Rate Regulation Division, and all attachments, filed on December 4, 2019 as an attachment to Commission Staff's motion for summary decision.
9. On January 15, 2020, the ALJ filed a proposal for decision recommending that there is no genuine issue as to any material fact, that Commission Staff is entitled to a decision in its favor as a matter of law, and that Carroll Water's application should be denied.

II. Conclusions of Law

The Commission adopts the following conclusions of law.

1. The Commission has jurisdiction in this matter under TWC §§ 13.041 and 13.1872.
2. Carroll Water is a public utility as defined by TWC § 13.002(23).
3. Because it provides service to 500 or more water taps or connections, Carroll Water is not a Class C utility as defined by TWC § 13.002(4-c).

4. Because it is not a Class C utility, Carroll Water is not entitled to receive an annual rate adjustment based on changes in the price index under TWC § 13.1872.
5. Under 16 TAC § 22.182(d), the Commission may grant summary decision on all issues in a proceeding if the pleadings and evidence show that there is no genuine issue as to any material fact and that the moving party is entitled to a decision in its favor, as a matter of law.
6. Under 16 TAC § 22.182(d), a hearing on a motion for summary decision is not required.
7. Under 16 TAC § 22.182(f), if all issues will be resolved by granting a motion for summary decision, the ALJ must issue a proposal for decision.
8. A proposal for decision was filed in accordance with Texas Government Code § 2001.062 and 16 TAC § 22.182(f).
9. Commission Staff proved, by summary decision, that Carroll Water's petition should be denied.

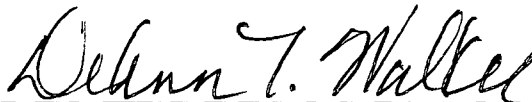
III. Ordering Paragraphs

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

1. The Commission adopts the proposal for decision, including findings of fact and conclusions of law, to the extent provided in this Order.
2. The Commission grants Commission Staff's motion for summary decision and denies Carroll Water's application for a price index rate adjustment.
3. The Commission denies all other motions, and any other requests for general or special relief if not expressly granted.

Signed at Austin, Texas the 14th day of February 2020.

PUBLIC UTILITY COMMISSION OF TEXAS



DEANN T. WALKER, CHAIRMAN

ARTHUR C. D'ANDREA, COMMISSIONER



SHELLY BOTKIN, COMMISSIONER