



Control Number: 49786



Item Number: 22

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RECEIVED

APPLICATION OF CEDRON CREEK
RANCH WATER SUPPLY FOR
AUTHORITY TO CHANGE RATES

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PUBLIC UTILITY COMMISSION
OF TEXAS
2020 FEB 2 PM 1:48
PUBLIC UTILITY COMMISSION
FILING CLERK

COMMISSION STAFF'S THIRD SUPPLEMENTAL RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Third Supplemental Recommendation on Administrative Completeness and would show the following:

I. BACKGROUND

On July 24, 2019, Cedron Creek Ranch Water Supply (Cedron) filed an application for authority to change rates pursuant to Texas Water Code (TWC) § 13.1781 and § 13.1872(c)(2) and 16 Texas Administrative Code (TAC) §§ 24.25 - 24.44. Order No. 4, issued January 2, 2020, found the application administratively incomplete and established January 20, 2020, as the deadline for Cedron to cure the deficiencies and February 3, 2020, as the deadline for Staff to file a supplemental recommendation regarding administrative completeness, along with a proposed procedural schedule, if appropriate. Therefore, this pleading is timely filed.

II. ADMINISTRATIVE COMPLETENESS

As detailed in the attached memorandum from Roshan Pokhrel in the Commission's Infrastructure Division, Staff has reviewed the copy of the Notice of Proposed Rate Change filed by Cedron on January 13, 2020, and recommends the notice be found deficient at this time. While Cedron has corrected the deficiency identified in Staff's Second Supplemental Recommendation on Administrative Completeness filed on December 20, 2019, the revised notice contains three new errors. Specifically, Cedron Creek included "CN 600646608" instead of CCN No. 11659 at the top of the notice, and the billing comparison lists \$31.25 as the charge for 30,000 gallons of usage at existing rates, but this amount should be \$30.25.¹ In addition, the side-by-side rate comparison shows that the proposed minimum monthly charge includes 2,000 gallons of usage,

¹ $(10 + (27 * 0.75)) = 30.25$

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but the proposed gallonage rate of \$1.50 per 1,000 gallons is noticed as beginning with usage over 3,000 gallons rather than 2,001.

Staff recommends that Cedron be ordered to cure the deficiencies identified in the memorandum and issue new notice by March 3, 2020, and that Staff be given a deadline of April 4, 2020, to file a supplemental recommendation on the administrative completeness of the application and notice. Staff further recommends that Cedron use the attached notice. The only item missing from the notice is the proposed effective, which Cedron will need to fill in with a date that is at least 35 days after the date the notice is mailed to customers. Along with the notice, Staff recommends that Cedron Creek submit a new affidavit of notice.

III. PROCEDURAL SCHEDULE

In accordance with its deficiency recommendation, Staff does not propose a procedural schedule for further processing of this docket at this time. However, Staff requests a suspension of the proposed effective date of February 7, 2020, under 16 TAC § 24.33(b)(1).

IV. CONCLUSION

For the reasons discussed above, Staff respectfully recommends that the notice be found administratively incomplete at this time, that Cedron be ordered to file a supplement addressing the deficiencies identified in the notice by March 3, 2020, and that the proposed effective date of February 7, 2020, be suspended.

Dated: February 3, 2020

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Thomas S. Hunter
Division Director

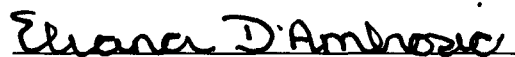
Heath D. Armstrong
Managing Attorney



Eleanor D'Ambrosio
State Bar No. 24097559
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7021
(512) 936-7268 (facsimile)
Eleanor.Dambrosio@puc.texas.gov

**DOCKET NO. 49786
CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on February 3, 2020, in accordance with 16 TAC § 22.74.


Eleanor D'Ambrosio

PUC Interoffice Memorandum

To: Eleanor D'Ambrosio, Attorney
Legal Division

From: Roshan Pokhrel, Engineering Specialist
Infrastructure Division

Date: February 3, 2020

Subject: **Docket No. 49786:** *Application of Cedron Creek Ranch Water Supply for Authority to Change Rates*

On July 24, 2019, Cedron Creek Ranch Water Supply (Applicant) filed an application with the Public Utility Commission of Texas (Commission) for a rate/tariff change under Certificate of Convenience and Necessity (CCN) No. 11659 in Bosque County. An administrative review of the application has been made pursuant to Texas Water Code §§ 13.1871 and 16 Texas Administrative Code §§ 24.25 to 24.33.

On January 13, 2020, the Applicant filed a supplemental filing with revised proposed notice of the rate increase with the Commission. Based on a review of the information on the supplemental filing, Staff recommends that the application be deemed insufficient for filing and found administratively incomplete due to the deficiencies detailed below:

- a. The CCN No. was not indicated on top of page 1 of the notice to customers;
- b. The calculation for the billing comparison for the existing 30,000 gallons of water is not correct; and
- c. The gallonage charge for the proposed rates for Tier 1 should start from 2,001 gallons not 3,000.

Staff recommends that the Applicant correct the proposed notice and re-notice the affected customers with a new effective date. Also, Staff recommends the Applicant file the corrected proposed notice and the revised affidavit of notice.

NOTICE OF PROPOSED RATE CHANGE
TO BE PROVIDED TO CUSTOMERS
PURSUANT TO TEX. WATER CODE § 13.1871

AFFIDAVIT

STATE OF TEXAS

COUNTY OF

I, [REDACTED] being duly sworn, file this NOTICE OF PROPOSED RATE CHANGE as [REDACTED]

(indicate relationship to Utility, that is, owner, member of partnership, title as officer of corporation, or other authorized representative of Utility); that, in such capacity, I am qualified and authorized to file and verify such NOTICE; and that all statements made and matters set forth herein are true and correct.

I further represent that a copy of the attached NOTICE was provided by _____

MAIL AND EMAIL

(method of delivery)

to each customer or other affected party on or about _____, 20 **20** _____.

AFFILIANT

(Utility's Authorized Representative)

CEDRON CREEK RANCH ASSOCIATION

NAME OF UTILITY

If the Affiant to this form is any person other than the sole owner, partner, officer of the Utility, or its attorney, a properly verified Power of Attorney must be enclosed.

SUBSCRIBED AND SWORN TO BEFORE ME,
this the 15 day of June, 20 2018, to certify
which witness my hand and seal of office.

SEAL

NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES

NOTICE OF PROPOSED RATE CHANGE PURSUANT TO TEX. WATER CODE § 13.1871

CEDRON CREEK RANCH ASSOCIATION **CCN No. 11659**

Company Name

CCN Number(s)

has filed a rate change application with the Public Utility Commission of Texas (Commission or PUC). 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 ¹¹ [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:

(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:

RATE CHANGE NECESSARY TO MAINTAIN WATER SUPPLY SYSTEM AND DEFRAY OPERATING COSTS

BILLING COMPARISON

Water

Existing	5,000 gallons:	\$ <u>11.50</u> /mo	Proposed	5,000 gallons:	\$ <u>39.50</u> /mo
Existing	10,000 gallons:	\$ <u>35.25</u> /mo	Proposed	10,000 gallons:	\$ <u>47.00</u> /mo
Existing	30,000 gallons:	\$ <u>80.85</u> /mo	Proposed	30,000 gallons:	\$ <u>77.00</u> /mo

Sewer

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

CEDRON CREEK RANCH

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

PO BOX 1770 WHITNEY TX 76692

Company Address

City

State

Zip

254-707-2215

Company Phone Number

153881

Annual Revenue Increase

Date Notice Delivered

1981

Date of Last Rate Change

7th of the month

Date Meters Typically Read

* Prior to providing notice, the utility shall file a request for the assignment of a docket number for the application.

P.U.C. DOCKET NO. 49786

RATEPAYER PROTEST

If you wish to PROTEST the proposed rate change, you must submit this form and 10 copies 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: _____ Last Name: _____

Phone Number: _____ Fax Number: _____

Address, City, State: _____

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:

☐ Water Rate Change ☐ Sewer Rate Change ☐ Both Water and Sewer Rate Change

☐ Other (please specify below)

Signature of Protester:

Date:

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

**Hearing- and speech-impaired individuals with text telephones may contact the PUC's Customer Assistance
Hotline at
512-936-7136**

NOTICE OF PROPOSED RATE CHANGE -WATER

CURRENT RATES			PROPOSED RATES		
Monthly base rate including <u>3000</u> gallons			Monthly base rate including <u>2000</u> gallons		
Meter Size:			Meter Size:		
RESIDENTIAL			RESIDENTIAL		
5/8" or 3/4"	\$	10.00	5/8" or 3/4"	\$	35.00
1"	\$	10.00	1"	\$	35.00
1 1/2"	\$		1 1/2"	\$	
2"	\$		2"	\$	
3"	\$		3"	\$	
Other:	\$		Other:	\$	
GALLONAGE CHARGE:			GALLONAGE CHARGE:		
TIER	VOLUME	CHARGE per 1000 gals.	TIER	VOLUME	CHARGE per 1000 gals.
Tier 1	0 to 1000 gals.	\$ 1.50 /1000 gals.	Tier 1	0 to 1000 gals.	\$ 1.50 /1000 gals.
Tier 2	1001 to 2000 gals.	\$ 1.50 /1000 gals.	Tier 2	1001 to 2000 gals.	\$ 1.50 /1000 gals.
Tier 3	2001 to 3000 gals.	\$ 1.50 /1000 gals.	Tier 3	2001 to 3000 gals.	\$ 1.50 /1000 gals.
Tier 4	3001 to 4000 gals.	\$ 1.50 /1000 gals.	Tier 4	3001 to 4000 gals.	\$ 1.50 /1000 gals.
Tier 5	4001 to 5000 gals.	\$ 1.50 /1000 gals.	Tier 5	4001 to 5000 gals.	\$ 1.50 /1000 gals.
MISCELLANEOUS FEES			MISCELLANEOUS FEES		
Tap Fee	\$	0	Tap Fee	\$	0
Reconnect fee: Non-payment	\$	0	Reconnect fee: Non-payment (Maximum - \$25.00)	\$	25.00
Customer's Request	\$	0	Customer's Request	\$	0
Transfer Fee	\$	0	Transfer Fee	\$	0
Late Charge	\$	0	Late charge: (Indicate either \$5.00 or 10%)	\$	0
Returned Check Charge	\$	0	Returned Check Charge	\$	0
Deposit	\$	0	Deposit (Maximum \$50.00)	\$	50.00
Meter test fee	\$0 for 1st test, \$15 for any addl test		Meter test fee	\$ 0 for 1st test, \$15 addl test (Maximum - \$25.00)	

Regulatory Assessment of 1% is added to base rate 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.

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