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**DOCKET NO. 50518**

**COMPLIANCE FILING OF SWWC  
UTILITIES, INC. DBA WATER  
SERVICES, INC. REGARDING A  
SURCHARGE IN DOCKET NO. 47736**

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**PUBLIC UTILITY COMMISSION  
OF TEXAS**

**ORDER NO. 2  
REQUIRING CLARIFICATION**

In the final order in Docket No. 47736,<sup>1</sup> the Commission, among other things, authorized SWWC Utilities, Inc. dba Water Services, Inc. to recover a total of \$330,000 in rate-case expenses from its environs customers. Unfortunately, the tariff approved in that docket did not include the surcharge that would allow recovery of the rate-case expenses.

The present docket was created to fix that omission. On March 11, 2020, Commission Staff filed, in the present docket, a revised tariff for SWWC that includes surcharges for rate-case expenses. Having now reviewed the revised tariff, the administrative law judge (ALJ) would benefit from explanatory briefing from SWWC and Commission Staff on two issues. First, although the ALJ is admittedly unfamiliar with the details of SWWC's customer base, it is unclear to the ALJ that the tariff filed on March 11, 2020 authorizes collection of rate-case expenses solely from SWWC's environs customers.

Second, it is unclear to the ALJ whether the tariff authorizes recovery of a total of \$330,000 in rate-case expenses, or recovery of multiples of \$330,000 in rate-case expenses. The tariff has different tariff pages that apply to different subdivisions. Thus, for example, tariff page no. 2a applies to the Bavarian Hills through Stage Coach Hills subdivisions and allows, apparently, for the recovery of \$330,000 in rate-case expenses from all ratepayers in those subdivisions. Tariff page no. 3 applies to the Huntington Estates subdivision and allows, apparently, for the recovery of \$330,000 in rate-case expenses from all ratepayers in that subdivision. Tariff page no. 4a applies to the Enchanted River Estates through Kestrel Air Park subdivisions and allows, apparently, for the recovery of \$330,000 in rate-case expenses from all ratepayers in those subdivisions. And so on.

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<sup>1</sup> *Application of SWWC Utilities, Inc dba Water Services, Inc for Authority to Change Rates*, Docket No. 47736, Order (Oct. 16, 2019).

By September 17, 2020, Commission Staff and SWWC must file explanatory briefing responsive to these two issues and, if appropriate, propose alternative tariff language.

**Signed at Austin, Texas the 2nd day of September 2020.**

PUBLIC UTILITY COMMISSION OF TEXAS



HUNTER BURKHALTER  
CHIEF ADMINISTRATIVE LAW JUDGE