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DOCKET NO. 50552

APPLICATION OF G. KELLY BREWER §
FOR A CLASS D ANNUAL RATE §
ADJUSTMENT §

PUBLIC UTILITY COMMISSION
OF TEXAS

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PUBLIC UTILITY COMMISSION

NOTICE OF APPROVAL

This Notice of Approval addresses the application of G. Kelly Brewer, a Class D utility, for an annual rate adjustment under Texas Water Code (TWC) § 13.1872. The Commission increases Mr. Brewer's minimum monthly charges and gallonage rates by 5.0% for the Evergreen Park and Kinard Estates subdivisions, effective May 1, 2021.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

1. Mr. Brewer operates and maintains facilities for providing water service under certificate of convenience and necessity (CCN) number 12400 in Orange County and serves 270 active water connections.
2. Mr. Brewer operates two public water systems registered with the Texas Commission on Environmental Quality (TCEQ) under identification numbers 1810117 and 1810059, one of which serves the Evergreen Park subdivision, and the other of which serves the Kinard Estates Subdivision.
3. The water rates charged by Mr. Brewer in the Evergreen Park subdivision are different than the rates he charges the Kinard Estates Subdivision.

Application

4. On February 14, 2020, Mr. Brewer filed the application at issue in this proceeding in which he seeks a Class D annual rate adjustment of 5.0% in the Evergreen Park and Kinard Estates subdivisions.
5. On January 7, 2021, Mr. Brewer filed a supplement to the application.
6. Mr. Brewer proposed March 1, 2021 as the effective date for the rate adjustment.

7. Commission Staff proposed an effective date of May 1, 2021.
8. This application is Mr. Brewer's first requested Class D rate adjustment.
9. In Order No. 7 filed on March 4, 2021, the administrative law judge deemed the application administratively complete and accepted for filing.

Rate Adjustment

10. Mr. Brewer requested a 5.0% annual rate adjustment to its minimum monthly charges and gallonage rates for the Evergreen Park and Kinard Estates subdivisions.
11. Mr. Brewer proposed increasing its minimum monthly charges for the Evergreen Park subdivision as follows:

Meter Size	Current Minimum Monthly Charge (includes 0 gallons)	Proposed Minimum Monthly Charge (includes 0 gallons)
5/8" or 3/4"	\$ 37.00	\$ 38.85
1"	\$ 55.50	\$ 58.28
1 1/2"	\$ 92.50	\$ 97.13
2"	\$296.00	\$310.80
3"	\$555.00	\$582.75

12. Mr. Brewer proposed increasing the gallonage charge for the Evergreen Park subdivision as follows:

Current Gallonage Charge (per 1,000 gallons)	Proposed Gallonage Charge (per 1,000 gallons)
\$4.50	\$4.73

13. Mr. Brewer proposed increasing its minimum monthly charges for the Kinard Estates subdivision, as corrected by Commission Staff, as follows:

Meter size	Current Minimum Monthly Charge (includes 0 gallons)	Proposed Minimum Monthly Charge (includes 0 gallons)
5/8" or 3/4"	\$ 38.00	\$ 39.90
1"	\$ 57.00	\$ 59.85
1 1/2"	\$190.00	\$199.50
2"	\$304.00	\$319.20
3"	\$570.00	\$598.50

14. Mr. Brewer proposed increasing the gallonage charge for the Kinard Estates subdivision, as corrected by Commission Staff, as follows:

Current Gallonage Charge (per 1,000 gallons)	Proposed Gallonage Charge (per 1,000 gallons)
\$3.75	\$3.94

Tariffs

15. On March 1, 2021, Commission Staff filed the proposed water tariff as an attachment to its recommendation on administrative completeness and final disposition.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. The Commission has authority over the application under TWC § 13.1872.
2. Mr. Brewer is a utility as defined in TWC § 13.002(23) and is a Class D utility under TWC § 13.002(4-d).
3. Under TWC § 13.1872(f), Mr. Brewer may adjust his rates not more than once each year and not more than four times between rate proceedings under TWC § 13.1871.
4. A 5.0% increase in Mr. Brewer's monthly water base rates and gallonage rates complies with TWC § 13.1872(e)(2).
5. The Commission processed the application in accordance with the requirements of the TWC, the Administrative Procedure Act,¹ and Commission rules.
6. Mr. Brewer has demonstrated that he has met the requirements of TWC § 13.1872 for approval of the rate adjustments.
7. Under TWC § 13.1872(c)(1), the applicant must provide notice 30 days before the effective date of the proposed change.
8. Under 16 TAC § 24.49(e), the applicant must provide notice after it receives a written order by the Commission approving or modifying the application.

III. Ordering Paragraphs

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

1. The Commission approves the application for a Class D annual rate adjustment, effective May 1, 2021.

¹ Tex. Gov't Code §§ 2001.001–.903.

2. The Commission adjusts Mr. Brewer's minimum monthly charge for the Evergreen Park subdivision, effective May 1, 2021, as follows:

Meter Size (includes 0 gallons)	Minimum Monthly Charge
5/8" or 3/4"	\$ 38.85
1"	\$ 58.28
1 1/2"	\$ 97.13
2"	\$310.80
3"	\$582.75

3. The Commission adjusts Mr. Brewer's gallonage charge for the Evergreen Park subdivision, effective May 1, 2021, as follows:

Water Gallonage Rate (per 1,000 gallons)
\$4.73

4. The Commission adjusts Mr. Brewer's minimum monthly charge for the Kinard Estates subdivision, effective May 1, 2021, as follows:

Meter Size (includes 0 gallons)	Minimum Monthly Charge
5/8" or 3/4"	\$ 39.90
1"	\$ 59.85
1 1/2"	\$199.50
2"	\$319.20
3"	\$598.50

5. The Commission adjusts Mr. Brewer's gallonage charge for the Kinard Estates subdivision, effective May 1, 2021, as follows:

Water Gallonage Rate (per 1,000 gallons)
\$3.94

6. The Commission approves the water tariff pages attached to Commission Staff's supplemental recommendation on administrative completeness and recommendation on final disposition filed on March 1, 2021.
7. Within ten days of the date of this Notice of Approval, Commission Staff must file a clean copy of the tariff, with the approved effective date, with central records to be marked *Approved* and kept in the Commission tariff book.
8. Mr. Brewer must, by April 1, 2021, provide to each ratepayer by mail, or by electronic mail if the ratepayer has agreed to receive communications electronically, notice of the rate

adjustment with the new effective date of May 1, 2021 using the form attached to Commission Staff's recommendation on administrative completeness and recommendation on final disposition filed on March 1, 2021.

9. By April 15, 2021, Mr. Brewer must file proof that he has provided notice as specified above.
10. The Commission denies all other motions and any other requests for general or specific relief that have not been expressly granted.

Signed at Austin, Texas the 9th day of March 2021.

PUBLIC UTILITY COMMISSION OF TEXAS



HUNTER BURKHALTER
CHIEF ADMINISTRATIVE LAW JUDGE