



Control Number: 50557



Item Number: 957

Peter M. Lake
Chairman

Will McAdams
Commissioner

Lori Cobos
Commissioner

Jimmy Glotfelty
Commissioner



Greg Abbott
Governor

Thomas J. Gleeson
Executive Director

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Public Utility Commission of Texas

TO: Peter M. Lake, Chairman
Will McAdams, Commissioner
Lori Cobos, Commissioner
Jimmy Glotfelty, Commissioner

All Parties of Record

FROM: Stephen Journeay, Commission Counsel

DATE: 22 September 2021

RE: September 23, 2021 Open Meeting – Item No. 23
Docket No. 50557; SOAH Docket No. 473-21-0477.WS – *Application of Corix Utilities (Texas) Inc. for Authority to Change Rates*

A proposed order in the above-referenced docket is posted for consideration and action by the Commission. If the Commission adopts the proposed order, I recommend the following changes.

Two new findings of fact should be added after proposed finding of fact 96 to support the inclusion of affiliate costs in Corix's rates under TWC § 13.185(e).

XX. The affiliate costs included in the rates agreed to by the signatories are reasonable and necessary.

XX. To the extent that payments to affiliated interests are included in the rates agreed to by the signatories, the prices charged to Corix are not higher than the prices charged by the supplying affiliate to its other affiliates or divisions for the same item or to unaffiliated persons or corporations.

Proposed finding of fact 67 should be modified for accuracy.

67. The signatories agreed to ~~consolidated rates~~ new rate schedules for each of six rate regions proposed by Corix in the direct and rebuttal testimonies of R. Darrin Barker in this proceeding.

Three new findings of fact should be added after proposed finding of fact 69 because they are necessary to support the parties' agreed consolidated rates under TWC § 13.145.



XX. The Alleyton, Matagorda Dunes, and Northeast Washington County water systems use groundwater as a source of water and therefore require the same kinds of treatment, plant facilities, and equipment. As a result, they are substantially similar in term of facilities.

XX. The Summit Springs, Quail Creek, and Bonanza Beach water systems have similar groundwater systems, water treatment facilities, wells, storage tanks, pump houses, and distribution mains and therefore are substantially similar in terms of facilities.

XX. The Alleyton, Camp Swift, and Matagorda Dunes wastewater systems have similar wastewater treatment facilities and therefore are substantially similar in terms of facilities.

Proposed finding of fact 113 should be modified to clarify that only the Hyatt Corporation is entitled to a refund of amounts collected under the interim rates.

113. The Hyatt Corporation is entitled to a refund in the amount of \$92,206 for billings between when interim rates went into effect and the end of May 2021, as reflected on exhibit H to the agreement. Additionally, the Hyatt Corporation will be entitled to a refund for any billings on Corix's old rates that relate to the period between June 1, 2021 and the date that Corix's new rates go into effect. Any additional refund must be calculated using the same methodology that was applied in exhibit H to the agreement. No other customers are entitled to a refund of amounts collected under the interim rates.

Two new ordering paragraphs should be added after proposed ordering paragraph 7 to reflect the signatories' agreement to refund Hyatt Corporation amounts over-collected under the interim rates.

XX. Corix must issue a refund to the Hyatt Corporation of \$92,206 for amounts billed under the interim rates from the date the interim rates went into effect through May 31, 2021, as reflected in exhibit H to the agreement.

XX. Corix must issue a refund to the Hyatt Corporation for amounts billed under the interim rates from June 1, 2021 through the date of this Order. This refund must be calculated using the methodology applied in exhibit H to the agreement, and Corix must file a report documenting the calculation and issuance of this refund in Docket No. _____, *Compliance Filing for Docket No. 50557 (Application of Corix Utilities (Texas) Inc. for Authority to Change Rates)*.

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