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DOCKET NO. 50601

**APPLICATION OF WINDSOR WATER § PUBLIC UTILITY COMMISSION
COMPANY FOR A CLASS D ANNUAL §
RATE ADJUSTMENT § OF TEXAS**

**COMMISSION STAFF'S FOURTH SUPPLEMENTAL RECOMMENDATION
ON ADMINISTRATIVE COMPLETENESS AND RECOMMENDATION ON FINAL
DISPOSITION**

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and in response to Order No. 5, files this Fourth Supplemental Recommendation on Administrative Completeness and Recommendation on Final Disposition. Staff recommends that the application be deemed sufficient as supplemented and approved. In support thereof, Staff shows the following:

I. BACKGROUND

On February 27, 2020, Windsor Water Company (Windsor) filed an application for a Class D annual rate adjustment under Texas Water Code (TWC) § 13.1872 and 16 Texas Administrative Code (TAC) § 24.49. Windsor filed supplemental information on April 6, 2020, August 12, 2020, and October 8, 2020.

On September 29, 2020, the administrative law judge filed Order No. 5, requiring Windsor to file supplemental information by October 28, 2020, and directing Staff to file a supplemental recommendation on the administrative completeness of the application and notice by November 28, 2020.¹ Therefore, this pleading is timely filed.

II. RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS

As detailed in the attached memorandum of Maxine Gilford in the Commission's Rate Regulation Division, Staff has reviewed the supplemented application and recommends that it be found administratively complete and accepted for filing under TWC § 13.1872 and 16 TAC § 24.49.

¹ November 28, 2020 was a Saturday, and the Commission was closed for business. Therefore, the deadline is November 30, 2020 under 16 TAC § 22.4(a).

III. RECOMMENDATION ON FINAL DISPOSITION

Staff conducted a technical review of the application under TWC § 13.1872 and 16 TAC § 24.49. Pursuant to TWC § 13.1872 and 16 TAC § 24.49, the Commission may adjust the rates of a Class D utility without the need for a hearing.

Based upon the attached memorandum of Maxine Gilford of the Commission's Rate Regulation Division, Staff recommends approval of the application for an increase in water rates. Approval of the application would result in the approval of Windsor's proposed rates, as reflected in the attached memorandum. Staff has attached compliance tariff pages reflecting the proposed rate adjustment to this pleading.

IV. PROPOSED PROCEDURAL SCHEDULE

Staff proposes the following procedural schedule for further processing of this docket:

Event	Deadline
Deadline for Windsor to provide notice to customers	December 28, 2020 ²
Effective date of approved increase	January 28, 2021

V. CONCLUSION

For the reasons stated above, Staff respectfully recommends that the supplemented application be deemed administratively complete. Staff further recommends that the supplemented application be approved and that Windsor be ordered to provide notice of the proposed change, using only the notice pages approved by the Commission, by December 25, 2020

² According to the application, Windsor reads meters on the 25th of each month. Because December 25, 2020, is a holiday, Staff recommends that the deadline to provide notice move to the following Monday, December 28, 2020.

Dated: November 30, 2020

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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/s/ John Harrison
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CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on November 30, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ John Harrison
John Harrison

Public Utility Commission of Texas

Memorandum

TO: John Harrison, Attorney
Legal Division

FROM: Maxine Gilford, Financial Analyst
Rate Regulation Division

DATE: November 30, 2020

RE: **Docket No. 50601** *Application of Windsor Water Company for a Class D Annual Rate Adjustment*

On October 8, 2020, Windsor Water Company (Windsor) filed an amended application for a Class D rate adjustment. Pursuant to Texas Water Code (TWC) § 13.1872 and 16 Texas Administrative Code § 24.49, a utility may request an annual increase to its tariffed rates of no more than 5%, not more than once a year and not more than four times between rate proceedings described under TWC § 13.1871. Windsor requests approval to increase its monthly meter charge and gallonage rate for water by 5%. In support of its application Windsor provided the following:

- 1) A Class D water or sewer utility request for an annual rate adjustment;
- 2) A completed proposed notice for the approved rate change; and
- 3) A copy of the relevant pages of Windsor's currently approved tariff.

This application represents Windsor's fourth Class D rate adjustment request. Therefore, Windsor must file a full base rate case the next time it seeks to increase its water rates as required by TWC § 13.1872(f).

The following table includes Windsor's previously approved water base rates and proposed water base rates by meter size:

Meter Size	Approved Base Rate	Proposed Rate
5/8" or 3/4"	\$52.34	\$54.96
1"	\$52.34	\$54.96
1½"	\$160.22	\$168.23
2"	\$160.22	\$168.23
3"	\$160.22	\$168.23

The following table includes previously approved and proposed water gallonage rates per 1,000 gallons:

Gallonage Blocks	Current Tariff Gallonage Rate	Proposed Gallonage Rate
From 0 to 10,000 gallons	\$4.81	\$5.05
From 10,001 to 20,000 gallons	\$5.08	\$5.33
From 20,001 gallons and up	\$5.35	\$5.62

Staff identified that Windsor correctly calculated the billing comparisons using the base rates and block gallonage rates from the previous tariff rates and the proposed tariff rates.

Based upon review of the application, Staff recommends the following:

- a) A finding that the application is administratively complete;
- b) Approval of the amended application for a Class D rate adjustment and the proposed water base rates and gallonage rates;
- c) That Windsor be directed to provide the attached notice to customers in accordance with TWC § 13.1872(c)(1) by December 28, 2020, which is 30 days before the effective date of January 28, 2021;
- d) Approval of the effective date that is at least 30 days after customers receive notice, to coincide with an appropriate billing cycle and to meet the 30-day notice requirement; and
- e) Approval of the attached tariff and the provision of a copy to Windsor.

NOTICE OF APPROVED UTILITY ANNUAL RATE ADJUSTMENT

Utility Name: WINDSOR WATER COMPANY
CCN Number(s): Water 11281 Sewer

The rates listed on the next page will apply to service received after the effective date listed on the notice below. This rate was requested by the utility and approved by the Public Utility Commission of Texas based on Texas Water Code § 13.1872, which allows the utility to receive an annual rate adjustment, without a hearing, of no more than 5%.

The following public water system(s), sewer system(s), or subdivision(s) will be affected by this rate adjustment:

Middle Bosque, Jantz, Quail Hollow, Quail Run, Sherwood Estates
PWS ID #1550112

Effective Date of Approved Increase: January 28, 2021
(must be at least 30 days from the date the customers receive notice)

The rate adjustment will apply to all service rendered after the effective date and will be reflected on the bill you receive approximately 30 to 45 days after the effective date.

Address: 186 NEW WINDSOR PARKWAY
City: WACO
State/Zip: TEXAS 76712
Telephone: 254-848-5838

Percent of Rate Adjustment: 5.00%¹
Date Notice Delivered: 12/28/2020
Date Meters are Read: 25TH

Billing Comparison²

Charges based on Gallons (G) per Month (mo)

Water:

Previous		New	
5,000 G	\$76.39 /mo	5,000 G	\$80.21 /mo
10,000 G	\$100.44 /mo	10,000 G	\$105.46 /mo

Sewer:

Previous		New	
5,000 G	/mo	5,000 G	/mo

¹The Texas Water Code limits the increase to 5%.

²The billing comparison only includes minimum monthly charge, block gallonage rate and gallonage rate charges.

NOTICE OF APPROVED UTILITY ANNUAL RATE ADJUSTMENT

Utility Name: **WINDSOR WATER COMPANY**

CCN Number(s): **Water** **11281** **Sewer**

WATER

MINIMUM MONTHLY CHARGE		
Meter Size	Previous Minimum Monthly Charge	New Minimum Monthly Charge
5/8"	\$ 52.34	\$ 54.96
3/4"	\$ 52.34	\$ 54.96
1"	\$ 52.34	\$ 54.96
1 1/2"	\$ 160.22	\$ 168.23
2"	\$ 160.22	\$ 168.23
3"	\$ 160.22	\$ 168.23
4"	\$ -	\$ -
6"	\$ -	\$ -
8"	\$ -	\$ -
10"	\$ -	\$ -
Other	\$ -	\$ -

GALLONAGE CHARGES		
for each additional 1,000 gallons over the minimum		
Previous Tariff Rates	Annual Rate Adjustment	New Tariff Rates
\$ -	5.00% ¹	\$ -

BLOCK GALLONAGE CHARGES							
Gallonage Blocks (inclining or declining)					Previous Tariff Rates (per 1,000 gallons)	Annual Rate Adjustment	New Tariff Rates (per 1,000 gallons)
From	0	to	10,000	gallons	\$ 4.81	5.00% ¹	\$ 5.05
From	10,001	to	20,000	gallons	\$ 5.08		\$ 5.33
From	20,001	to		gallons	\$ 5.35		\$ 5.62
From		to		gallons	\$ -		\$ -
For usage over				gallons	\$ -		\$ -

¹ A 5% rate increase is permitted by Texas Water Code § 13.1872 for a Class D utility without hearing for four out of five calendar years