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DOCKET NO. 50617

**APPLICATION OF SIMPLY
AQUATICS, INC. FOR A CLASS D
ANNUAL RATE ADJUSTMENT**

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PUBLIC UTILITY COMMISSION

OF TEXAS



NOTICE OF APPROVAL

This Notice of Approval addresses the application of Simply Aquatics, Inc. for an annual rate adjustment under Texas Water Code (TWC) § 13.1872. Simply Aquatics is a Class D utility requesting that its water monthly base rates and gallonage rates be increased by 5.0% for two of the subdivisions it serves, the La Playa subdivision and the El Pinon¹ Estates subdivision. The Commission approves the application to the extent provided in this Notice of Approval.

I. Background

On March 4, 2020, Simply Aquatics filed two applications for Class D rate adjustments under TWC § 13.1872. The first application was filed in Docket No. 50617 for the La Playa subdivision, and the second was filed in Docket No. 50618 for the El Pinon Estates subdivision. Both applications concerned rate adjustments for water systems served by Simply Aquatics under the same water certificate of convenience and necessity (CCN) number 13259.

On April 14, 2020, the ALJ issued Order No. 4 in Docket No. 50617, consolidating Docket No. 50618 into Docket No. 50617.

II. Findings of Fact

The Commission makes the following findings of fact.

Applicant

1. Simply Aquatics is a domestic for-profit corporation registered with the Texas secretary of state under registration number 800198192.
2. Simply Aquatics provides water service under CCN No. 13259 in Montgomery and San Augustine counties and serves 130 active water connections under this CCN.

¹ In the application, the spelling varies between El Pinon and El Pinion.

3. Simply Aquatics serves a total of 174 active water connections, when taking into account all of its CCNs.
4. Simply Aquatics operates three Texas Commission on Environmental Quality (TCEQ) registered public water systems registered under Public Water System (PWS) identification numbers 1700694 in the Vista Verde subdivision, PWS identification number 2030013 in the El Pinon Estates subdivision, and PWS identification number 2030015 in the La Playa subdivision.

Application

5. On March 4, 2020, Simply Aquatics filed two applications for Class D annual rate adjustments of 5.0%—one in Docket No. 50617 for the La Playa subdivision (the La Playa Subdivision Water System), and the other in Docket No. 50618 for the El Pinon Estates subdivision (the El Pinon Estates Water System). Both applications are for rate adjustments for water systems served by Simply Aquatics under its water CCN number 13259.
6. On March 23, 2020, Simply Aquatics amended the applications.
7. Simply Aquatics' amended applications proposed an effective date of May 25, 2020.
8. On April 14, 2020, the ALJ issued Order No. 4 in Docket No. 50617, consolidating Docket No. 50618 into Docket No. 50617.
9. In this proceeding, Simply Aquatics is not requesting a Class D annual rate adjustment for the Vista Verde subdivision that it also serves under CCN number 13259, or for any other area it serves.
10. In Order No. 5 filed on April 29, 2020, the ALJ deemed the application administratively complete and accepted for filing and established an effective date of June 19, 2020.
11. This is Simply Aquatics' first Class D rate adjustment request.

Rate Adjustment

12. Simply Aquatics requested a 5.0% annual rate adjustment to its water tariff base rates and its water gallonage rates for the La Playa Subdivision Water System and the El Pinon Estates Water System.

13. Simply Aquatics proposed increasing the monthly water base rate for the La Playa Subdivision Water System as follows:

Meter Size (Includes 1,000 Gallons)	Approved Tariff Base Rate	Proposed Base Rate
5/8"	\$ 39.60	\$ 41.58
1"	\$ 94.75	\$ 99.49
1 1/2"	\$ 186.85	\$ 196.19
2"	\$ 297.40	\$ 312.27
3"	\$ 555.25	\$ 583.01

14. Simply Aquatics proposed increasing the water gallonage rate (per 1,000 gallons) for the La Playa Subdivision Water System as follows:

	Approved Tariff Gallonage Rate (per 1,000 gallons)	Proposed Gallonage Rate (per 1,000 gallons)
>1,000 gallons	\$ 3.25	\$ 3.41

15. Simply Aquatics proposed increasing the monthly water base rate for the El Pinon Estates Water System as follows:

Meter Size (Includes 2,000 Gallons)	Approved Tariff Base Rate	Proposed Base Rate
5/8" and 3/4"	\$ 39.95	\$ 41.95

16. Simply Aquatics proposed increasing the water gallonage rate (per 1,000 gallons) for the El Pinon Estates Water System as follows:

	Approved Tariff Gallonage Rate (per 1,000 gallons)	Proposed Gallonage Rate (per 1,000 gallons)
>2,000 gallons	\$ 3.75	\$ 3.94

Tariff

17. On April 28, 2020, Commission Staff filed the proposed water tariff as an attachment to its amended recommendation on administrative completeness and final disposition.

Informal Disposition

18. More than 15 days have passed since the completion of notice provided in this docket.
19. No person filed a protest or motion to intervene.
20. Simply Aquatics and Commission Staff are the only parties to this proceeding.

21. No party requested a hearing and no hearing is needed.
22. Commission Staff recommended approval of the application.
23. This decision is not adverse to any party.

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. Simply Aquatics 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), Simply Aquatics may adjust its rates not more than once each year and not more than four times between rate proceedings under TWC § 13.1871.
4. An increase in Simply Aquatics' rates of 5.0% 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,² and Commission rules.
6. Simply Aquatics has demonstrated that it has met the requirements of TWC § 13.1872 for approval of the rate adjustments.
7. The requirements under 16 TAC § 22.35 for informal disposition have been met in this proceeding.
8. Under TWC § 13.1872(c)(1), the applicant must provide notice 30 days before the effective date of the proposed change.

² Tex. Gov't Code ch. 2001.

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 June 19, 2020.
2. The Commission adjusts Simply Aquatics' monthly water base rates for the La Playa Subdivision Water System, effective June 19, 2020, as follows:

Meter Size (Includes 1,000 Gallons)	Base Rate
5/8"	\$ 41.58
1"	\$ 99.49
1 1/2"	\$ 196.19
2"	\$ 312.27
3"	\$ 583.01

3. The Commission adjusts Simply Aquatics' water gallonage rate for the La Playa Subdivision Water System, effective June 19, 2020, as follows:

	Gallonage Rate (per 1,000 gallons)
>1,000 gallons	\$ 3.41

4. The Commission adjusts Simply Aquatics' monthly water base rates for the El Pinon Estates Water System, effective June 19, 2020, as follows:

Meter Size (Includes 2,000 Gallons)	Base Rate
5/8" and 3/4"	\$ 41.95

5. The Commission adjusts Simply Aquatics' water gallonage rate for the El Pinon Estates Water System, effective June 19, 2020, as follows:

	Gallonage Rate (per 1,000 gallons)
>2,000 gallons	\$ 3.94

6. The Commission approves the tariff pages attached to Commission Staff's Amended Recommendation on Administrative Completeness and Final Disposition filed on April 28, 2020.

7. Within ten days 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. Simply Aquatics must, by May 20, 2020, 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 June 19, 2020.
9. By May 27, 2020, Simply Aquatics must file proof that it 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 the 6th day of May 2020.

PUBLIC UTILITY COMMISSION OF TEXAS



HUNTER BURKHALTER
CHIEF ADMINISTRATIVE LAW JUDGE