



Control Number: 51090



Item Number: 10

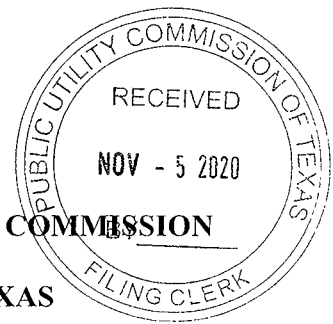
Addendum StartPage: 0

DOCKET NO. 51090

APPLICATION OF DLH
CONSTRUCTION, INC. FOR A CLASS D
RATE ADJUSTMENT

§
§
§

PUBLIC UTILITY COMMISSION
OF TEXAS



NOTICE OF APPROVAL

This Notice of Approval addresses the application of DLH Construction, Inc., a Class D utility, for an annual rate adjustment under Texas Water Code (TWC) § 13.1872. The Commission increases DLH Construction's monthly base and gallonage rates by 5.0%, effective January 1, 2021.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

1. DLH Construction is a Texas corporation registered with the Texas secretary of state under filing number 152312000.
2. DLH Construction operates and maintains facilities for providing water service under certificate of convenience and necessity (CCN) number 13172 in Galveston County and serves roughly 29 active water connections.
3. DLH Construction operates a public water system registered with the Texas Commission on Environmental Quality under identification number 0840267.

Application

4. On July 17, 2020, DLH Construction filed the application at issue in this proceeding, in which it seeks a Class D annual rate adjustment of 5.0%.
5. DLH Construction did not provide a proposed effective date for the rate adjustment.
6. The application is DLH Construction's first requested Class D rate adjustment.
7. On August 20 and 25, 2020, DLH Construction supplemented its application.

10

8. In Order No. 3 filed on October 21, 2020, the administrative law judge deemed the application administratively complete and accepted for filing.

Rate Adjustment

9. DLH Construction requested a 5.0% annual rate adjustment to its water monthly base rates and gallonage rates.
10. DLH Construction proposed increasing its rates as follows:

METER SIZES	Current Minimum Monthly Charge (includes 0 gallons)	Proposed Minimum Monthly Charge (includes 0 gallons)
5/8" x 3/4"	\$30.00	\$31.50
3/4"	\$45.00	\$47.25
1"	\$75.00	\$78.75
1 1/2"	\$150.00	\$157.50
2"	\$240.00	\$252.00
3"	\$525.00	\$551.25

11. DLH Construction proposed increasing its block gallonage charges. The proposed new blockage gallonage charges, which include changes to the tariff language for simplicity and clarity, are as follows:

Current Block Gallonage Charges	Proposed Block Gallonage Charges
\$2.00 per 1,000 gallons, 1 st 7,000 gallons	\$2.10 per 1,000 gallons, 0 to 7,000 gallons
\$3.00 per 1,000 gallons, next 15,000 gallons	\$3.15 per 1,000 gallons, 7,001 to 22,000 gallons
\$5.00 per 1,000 gallons thereafter	\$5.25 per 1,000 gallons, above 22,000 gallons

Tariff, Notice, and Effective Date

12. On October 16, 2020, Commission Staff filed the proposed water tariff as an attachment to its supplemental recommendation on administrative completeness and final disposition, and a proposed notice for DLH Construction to provide to its customers.
13. In Order No. 3 filed on October 21, 2020, the ALJ established December 1, 2020 as the effective date for the new rates.

14. Because 30 days' advance notice is required for this rate change, an effective date of December 1, 2020 is no longer possible.
15. The effective date for the rate increase is now established as January 1, 2021.

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. DLH Construction 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), DLH Construction may adjust its 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 DLH Construction's minimum monthly charge and tariff block gallonage charges complies with TWC § 13.1872(c)(2).
5. The Commission processed the application in accordance with the requirements of the TWC, the Administrative Procedure Act,¹ and Commission rules.
6. DLH Construction 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.

¹ Tex. Gov't Code §§ 2001.001–.903.

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 January 1, 2021.
2. The Commission adjusts DLH Construction's monthly water base rates, effective January 1, 2021, as follows:

METER SIZES	Minimum Monthly Charge (includes 0 gallons)
5/8" x 3/4"	\$31.50
3/4"	\$47.25
1"	\$78.75
1 1/2"	\$157.50
2"	\$252.00
3"	\$551.25

3. The Commission adjusts DLH Construction's monthly water gallonage rates, effective January 1, 2021, as follows:

Tariff Block Gallonage Charges
\$2.10 per 1,000 gallons, 0 to 7,000 gallons
\$3.15 per 1,000 gallons, 7,001 to 22,000 gallons
\$5.25 per 1,000 gallons, over 22,000 gallons

4. The Commission approves the tariff pages attached to Commission Staff's supplemental recommendation on administrative completeness and final disposition filed on October 16, 2020.

5. 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.
6. Commission Staff must, by November 13, 2020, file an updated notice form for DLH Construction to provide to its customers, reflecting the new effective date.
7. DLH Construction must, by December 1, 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 January 1, 2021, using the notice form to be filed by Commission Staff by November 13, 2020.
8. By December 15, 2020, DLH Construction must file proof that it has provided notice as specified above.
9. 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 5th day of November 2020.

PUBLIC UTILITY COMMISSION OF TEXAS


HUNTER BURKHALTER
CHIEF ADMINISTRATIVE LAW JUDGE