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DOCKET NO. 51907

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APPLICATION OF PALO DURO §
SERVICE COMPANY, INC. FOR A §
CLASS D RATE ADJUSTMENT §

PUBLIC UTILITY COMMISSION
PUBLIC UTILITY COMMISSION
OF TEXAS
FILED CLERK

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COMMISSION STAFF'S RESPONSE TO ORDER NO. 1
AND MOTION TO CONSOLIDATE

On March 17, 2021, Palo Duro Service Company, Inc. (Palo Duro) filed an application for a Class D rate adjustment for the Duchane Chateaux, Glider Base Estates, and Trinity River subdivisions, which it is authorized to serve under certificate of convenience and necessity (CCN) No. 12200. In this docket, Palo Duro's current application requests approval to adjust its water minimum monthly charge and gallonage rate by 5%.

On March 17, 2021, Palo Duro also applied for a Class D rate adjustment for the Aledo Ridge subdivision, which it is also authorized to serve under CCN No. 12200. In Docket No. 51908,¹ Palo Duro requests approval to adjust its minimum monthly charge and gallonage rates by 5%.

On March 19, 2021, the administrative law judge filed Order No. 1, establishing a deadline of March 26, 2021, for the Staff of the Public Utility Commission of Texas (Staff) to file a recommendation on whether consolidation is appropriate, and, if consolidation is not appropriate, whether each docket qualifies as an individual rate adjustment under Texas Water Code (TWC) § 13.1872(f) or if the dockets would be considered as one rate adjustment. Therefore, this pleading is timely filed.

I. MOTION TO CONSOLIDATE

Staff believes that consolidation of Docket Nos. 51907 and 51908 is the most efficient path forward. Under 16 Texas Administrative Code (TAC) § 22.34(a), the Commission may consolidate proceedings where certain criteria are met:

Proceedings may be consolidated if the presiding officer finds that: the proceedings involve common questions of law or fact; consolidation would serve the interest of efficiency or prevent unwarranted expense and delay; and, the applicant's ability to

¹ Application of Palo Duro Service Company, Inc for a Class D Rate Adjustment, Docket No. 51908 (pending).

present its case and other parties' ability to respond to the applicant's case are not unduly prejudiced.

In both Docket No. 51907 and Docket No. 51908, Palo Duro is requesting a rate adjustment under Texas Water Code (TWC) § 13.1872 and 16 TAC § 24.49. All of the subdivisions for which the increase is requested are served by Palo Duro under CCN No. 12200; therefore, approval of one or both applications would require revision of the same tariff. In addition, Palo Duro is requesting a 5% increase for all subdivisions. For the sake of efficiency, Staff requests the consolidation of Docket Nos. 51907 and 51908 because both dockets involve common questions of law and fact. A similar motion to consolidate was granted in Docket Nos. 50617 and 50618.²

Based on its recommendation that consolidation is appropriate, Staff's recommendation does not address the question of whether each docket would qualify as an individual rate adjustment under TWC § 13.1872(f) or if the dockets would be considered as one rate adjustment.

II. CONCLUSION

For the reasons discussed above, Staff respectfully requests the issuance of an order consolidating Docket No. 51908 with Docket No. 51907.

² *Application of Simply Aquatics for a Class D Rate Adjustment*, Docket No. 50617, Order No. 4 (Apr. 14, 2020); *Application of Simply Aquatics for a Class D Rate Adjustment*, Docket No. 50618, Order No. 3 (Apr. 14, 2020).

Dated: March 26, 2021

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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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 on March 26, 2021 in accordance with the Order Suspending Rules filed in Project No. 50664.

/s/ Merritt Lander
Merritt Lander