



Control Number: 51960



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**TARIFF CONTROL NO. 51960**

2021 JUN 29 AM 9:33

**APPLICATION OF QUADVEST, L.P.  
FOR A PASS-THROUGH RATE  
CHANGE**

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**PUBLIC UTILITY COMMISSION  
OF TEXAS**

**NOTICE OF APPROVAL**

This Notice of Approval addresses Quadvest, L.P.'s application for approval of a pass-through rate change for fees billed to Quadvest by the North Harris County Regional Water Authority (NHCRWA) for the Bauer Landing, Bayer Utility (Old Town Spring), Pecan Forest, Waterstone Estates, Shaw Acres, Bammel Forest, Bammel Timbers, and Lakes of Fairhaven subdivisions. The Commission approves the requested pass-through rates to the extent provided in this Notice of Approval.

**I. Findings of Fact**

The Commission makes the following findings of fact.

**Applicant**

1. Quadvest is a Texas limited partnership registered with the Texas secretary of state under filing number 800539284.
2. Quadvest holds water certificate of convenience and necessity (CCN) number 11612 that obligates Quadvest to provide retail water service in its certificated service area including in Aransas, Brazoria, Fort Bend, Harris, Jackson, Liberty, Matagorda, Montgomery, Walker, and Waller counties.
3. Quadvest owns and operates various public water system registered with the Texas Commission on Environmental Quality (TCEQ).

**Application**

4. On March 31, 2021, Quadvest filed the application at issue in this proceeding.
5. In its application, Quadvest seeks an adjustment to the pass-through clause in its approved tariff for certain subdivisions. Specifically, Quadvest seeks to increase the pass-through fees in its Bauer Landing, Bayer Utility (Old Town Spring), Pecan Forest, Waterstone Estates, Shaw Acres, Bammel Forest, Bammel Timbers, and Lakes of Fairhaven

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subdivisions. The requested changes are related to increases scheduled for April 1, 2021, in the fees charged to Quadvest by its supplier, NHCRWA.

6. The proposed pass-through rate change will adjust Quadvest's pass-through rates for customers of Bauer Landing, Bayer Utility (Old Town Spring), Pecan Forest, Waterstone Estates, Shaw Acres, Bammel Forest, Bammel Timbers, and Lakes of Fairhaven subdivision receiving water from NHCRWA, effective April 1, 2021, as follows:

Subdivision	District Name	Current Pass Through Fee per 1,000 gallons	Proposed Pass Through Fee per 1,000 gallons	Requested Effective Date
Bauer Landing, Bayer Utility (Old Town Spring), and Waterstone Estates	NHCRWA	\$5.00	\$5.41	4/1/2021
Lakes of Fairhaven	NHCRWA	\$4.31	\$4.96	4/1/2021
Shaw Acres	NHCRWA	\$4.25	\$4.78	4/1/2021
Bammel Forest, Bammel Timbers, and Pecan Forest	NHCRWA	\$5.53	\$5.94	4/1/2021

7. The application contained the affected CCN number, the affected subdivisions, the public water system names and corresponding numbers issued by the TCEQ, a copy of the notice to the customers, documentation supporting the stated amounts of any new or modified pass-through costs, historical documentation of line loss for one year, all calculations and assumptions for any true-up of pass-through costs, and the calculations and assumptions used to determine the new rates.
8. On May 7, 2021, the administrative law judge (ALJ) found the application complete.

**Notice**

9. On March 31, 2021, Quadvest included with its application a copy of the notice it provided to affected customers, detailing the proposed pass-through gallonage charge increase.
10. The notice contained the effective date of the change, the present calculation of customer billings, the new calculation of customer billings, the change in NHCRWA charges to Quadvest for purchased water, and the following language: "This tariff change is being implemented in accordance with the minor tariff changes allowed by 16 Texas

Administrative Code § 24.25. The cost to you as a result of this change will not exceed the costs charged to your utility.”

11. On a notice filed on May 7, 2021, the ALJ found the notice sufficient.

**Jurisdiction**

12. Quadvest is a utility that purchases water.
13. Quadvest is under the original jurisdiction of the Commission.

**Eligibility for Pass-Through Rate Change**

14. The proposed charge will pass through only the actual increase in costs charged to Quadvest by NHCRWA and does not duplicate costs otherwise charged to customers under the current tariff.

**Tariff**

15. Quadvest’s current NHCRWA pass-through fee was approved by the Commission on April 29, 2021, in Tariff Control No. 51676.<sup>1</sup>
16. On May 7, 2021, Commission Staff filed a proposed tariff as an attachment to its recommendation on the application and notice.

**Evidence**

17. On June 3, 2021, Commission Staff and Quadvest filed a joint motion to admit evidence and proposed notice of approval.
18. In Order No. 3 filed on June 23, 2021, the ALJ admitted the following evidence into the record of this proceeding: (a) Quadvest’s application and all attachments filed on March 31, 2021; and (b) Commission Staff’s recommendation on the application and notice and all attachments filed on May 7, 2021.

**Informal Disposition**

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

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<sup>1</sup> *Application of Quadvest L.P for a Pass-Through Rate Change*, Tariff Control No. 51676, Notice of Approval (Apr. 29, 2021).

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

## **II. Conclusions of Law**

The Commission makes the following conclusions of law.

1. Quadvest is a retail public utility as defined in TWC § 13.002(19) and 16 Texas Administrative Code (TAC) § 24.3(31), and a utility as defined in TWC § 13.002(23) and 16 TAC § 24.3(39).
2. The Commission has authority over the application under TWC § 13.041.
3. The Commission may approve this minor change to Quadvest's water tariff under 16 TAC § 24.25(b)(2)(A)(vii).
4. Notice of the application was provided in compliance with 16 TAC § 24.25(b)(2)(F)(ii).
5. The Commission processed the application as required by the TWC, the Administrative Procedure Act,<sup>2</sup> and Commission rules.
6. The requirements for informal disposition in 16 TAC § 22.35 have been met in this proceeding.
7. The application meets the requirements set forth in 16 TAC § 24.25.

## **III. Ordering Paragraphs**

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders.

1. The Commission approves a pass-through rate increase, effective April 1, 2021, for the following pass-through rates for customers in the Bauer Landing, Bayer Utility (Old Town Spring), Pecan Forest, Waterstone Estates, Shaw Acres, Bammel Forest, Bammel Timbers, and Lakes of Fairhaven subdivision:

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<sup>2</sup> Tex. Gov't Code §§ 2001.001-.903.

Subdivision	District Name	Current Pass Through Fee per 1,000 gallons	Proposed Pass Through Fee per 1,000 gallons	Effective Date
Bauer Landing, Bayer Utility (Old Town Spring), and Waterstone Estates	NHCRWA	\$5.00	\$5.41	4/1/2021
Lakes of Fairhaven	NHCRWA	\$4.31	\$4.96	4/1/2021
Shaw Acres	NHCRWA	\$4.25	\$4.78	4/1/2021
Bammel Forest, Bammel Timbers, and Pecan Forest	NHCRWA	\$5.53	\$5.94	4/1/2021

2. The Commission approves the proposed tariff filed by Commission Staff on May 7, 2021.
3. Within ten days after the date of this Notice of Approval, Commission Staff must provide a clean copy of the tariff approved in this Notice of Approval to central records to be marked *Approved* and filed in the Commission's tariff book.
4. If Quadvest collects an amount as a result of this pass-through rate increase that is higher than the purchased water costs incurred, Quadvest must refund any amounts collected in excess of the purchased water costs.
5. 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 29th day of June 2021.

PUBLIC UTILITY COMMISSION OF TEXAS



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GREGORY R. SIEMANKOWSKI  
ADMINISTRATIVE LAW JUDGE