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APPLICATION OF RJR WATER §
COMPANY, INC. FOR A CLASS D §
RATE ADJUSTMENT §

PUBLIC UTILITY COMMISSION
OF TEXAS

NOTICE OF APPROVAL

This Notice of Approval addresses the application of RJR Water Company, Inc., a class D utility, for an annual rate adjustment under Texas Water Code (TWC) § 13.1872. The Commission increases RJR Water’s monthly base and gallonage rates by 5%, effective August 30, 2021.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

- 1. RJR Water is a Texas corporation registered with the Texas secretary of state under filing number 803371238.
- 2. RJR Water operates and maintains facilities for providing water service under water certificate of convenience and necessity (CCN) number 12139 in Parker and Palo Pinto counties and serves 135 active water connections.
- 3. RJR Water operates public water systems registered with the Texas Commission on Environmental Quality (TCEQ) under identification number 1840077 for Mountain River Estates, Mountain Valley Estates, and Mountain River Water Company, Inc.

Application

- 4. On April 7, 2021, RJR Water filed the application at issue in this proceeding in which it seeks a class D annual rate adjustment of 5%.
- 5. On June 8, 2021, RJR Water filed an amended application.
- 6. This application is RJR Water’s first requested class D rate adjustment between base rate proceedings.
- 7. In Order No. 5 filed on July 8, 2021, the administrative law judge found the application administratively complete and accepted for filing.

Rate Adjustment

8. RJR Water requested a 5% annual rate adjustment to its monthly water base rates and gallonage rates.
9. RJR Water proposed increasing its monthly water base rates as follows:

Meter Size	Current Minimum Monthly Charge (includes 0 gallons)	Proposed Minimum Monthly Charge (includes 0 gallons)
5/8"	\$25.00	\$26.25
3/4"	\$25.00	\$26.25
1"	\$50.00	\$52.50
1½"	\$100.00	\$105.00

10. RJR Water proposed increasing its monthly water gallonage rates as follows:

Meter Size	Current Gallonage Rate (per 1,000 gallons)	Proposed Gallonage Rate (per 1,000 gallons)
5/8"	\$5.10	\$5.36
3/4"	\$5.10	\$5.36
1"	\$5.10	\$5.36
1½"	\$5.10	\$5.36

Tariff

11. On July 6, 2021, Commission Staff filed the proposed water tariff as an attachment to its recommendation on administrative completeness and final disposition.

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. RJR Water 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), RJR Water 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% increase in RJR Water's monthly water base and gallonage rates 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,¹ and Commission rules.
6. RJR Water demonstrated that it has 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 Texas Administrative Code § 24.49(e), the applicant must provide notice after it receives a written order by the Commission approving or modifying the application.

III. Ordering Paragraphs

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

1. The Commission approves RJR Water's application for a class D annual rate adjustment, effective August 30, 2021.
2. The Commission adjusts RJR Water's monthly water base rates, effective August 30, 2021, as follows:

Meter Size	Minimum Monthly Charge (includes 0 gallons)
5/8"	\$26.25
3/4"	\$26.25
1"	\$52.50
1½"	\$105.00

¹ Tex. Gov't Code §§ 2001.001–.903.

3. The Commission adjusts RJR Water's monthly water gallonage rates, effective August 30, 2021, as follows:

Meter Size	Gallonage Rate (per 1,000 gallons)
5/8"	\$5.36
3/4"	\$5.36
1"	\$5.36
1½"	\$5.36

4. The Commission approves the water tariff attached to Commission Staff's July 6, 2021 recommendation on administrative completeness and final disposition.
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. RJR Water must, by July 30, 2021, 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 August 30, 2021, using the amended notice filed with the amended application on June 8, 2021.
7. By August 13, 2021, RJR Water must file proof that it has provided notice as specified above.
8. 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 9th day of July 2021.

PUBLIC UTILITY COMMISSION OF TEXAS



HUNTER BURKHALTER
CHIEF ADMINISTRATIVE LAW JUDGE