



Control Number: 52032



Item Number: 1

Addendum StartPage: 0



Inline Utilities LLC
21755 I-45 Bldg. 11
Spring TX 77388
281-651-1126

52032

RECEIVED
2021 APR 15 PM 1:54
April 13, 2021
FILED

Public Utility Commission of Texas
Central Records
1701 N. Congress Ave.
P.O. Box 13326
Austin, Texas 78711-3326

RE: Application of Inline Development Inc. (Inline) for a Pass-Through Rate Change;
Certificate of Convenience and Necessity (CCN) No. 12946

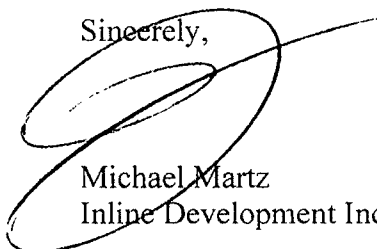
Dear Filing Clerk,

This letter provides Inline's notice to implement a pass-through rate change to reflect an increase in North Harris County Regional Water Authority's (NHCRWA) water use fee and Inline's historical line loss. In support of this notice, Inline also provides the following materials:

1. Notice of the pass-through rate increase with all required information which was delivered to all affected customers.
2. Documentation showing NHCRWA's updated pricing policy.
3. Documentation of line loss for one year and the proposed rate calculation.
4. A copy of the pages of Inline's Tariff that contain the rates that will change if this Application is approved.

This notice will affect the Cottage Gardens public water system (PWS ID No. 1013271) located within CCN No. 12946. If you have any questions regarding this Application, please contact us at 281-651-1126 or mike.onemartz@gmail.com.

Sincerely,



Michael Martz
Inline Development Inc.

Enclosures

CUSTOMER NOTICE OF PASS THROUGH RATE PROVISION INCREASE

Effective Date of Change: April 26, 2021

Date: March 4, 2021
To: Customers of Inline Development Inc.
From: Inline Development Inc. (CCN No. 10336)

Dear Customers,

North Harris County Regional Water Authority ("NHCRWA") provides water to Inline Development Inc. ("Inline Utilities"), which Inline then treats and furnishes to you. Effective April 1, 2021, NHCRWA's groundwater pumpage fee will increase from \$4.25 per 1,000 gallons to \$4.60 per 1,000 gallons.

Therefore, Inline Utilities is increasing its Pass-Through Fee in its tariff to reflect NHCRWA's rate change. 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.

The current Pass-Through Fee is \$4.25 per 1,000 gallons. The new calculation for the Pass Through Fee is as follows:

R = proposed pass-through rate
G = new gallonage charge by NHCRWA
L = line loss for the preceding year, <15%
 $R = G / (1 - L)$
 $R = \$4.60 / (1 - 0.026)$
 $R = \$4.60 / (0.974) = \4.72

The effective date of Inline's rate change to its Pass-Through Fee will be April 26, 2021. If you have any questions about this notice, please contact our office.

Inline Utilities



UPDATED 12/2/19

**UPDATED PRICING POLICY
OF THE NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY
(Effective April 1, 2020)**

This Updated Pricing Policy of the North Harris County Regional Water Authority (this "Updated Pricing Policy") is intended to define the Cost of Water paid to the Authority for Water used within the Authority and is an integral part of the Authority's Rate Order (the "Rate Order"), adopted on October 5, 2009. Unless specifically defined otherwise, capitalized terms in this Updated Pricing Policy shall have the meanings defined in the Rate Order.

Effective April 1, 2020, the following Cost of Water will apply to and be due by users of Water within the Authority:

Authority Water	\$4.70 per 1,000 gallons
Water pumped from a Non-Exempt Well	\$4.25 per 1,000 gallons
Imported Water	\$4.25 per 1,000 gallons

In addition to the above Fees, the Authority shall continue to provide a credit to each Converted Entity that constructed a Chloramine System prior to December 1, 2015 in accordance with the Authority's prior policy and procedures. Such credits shall be calculated as outlined below. Furthermore, any credits for capital contributions paid to the Authority by a Payor shall continue as provided in the applicable written agreement executed between the Payor and the Authority.

The Authority may revise the above Fees and modify, delete or add any credit(s), subject to the provisions of any applicable written agreements, if and when necessary. Payors will be notified of any such changes.

Chloramination Credits

The annual Chloramination Credit shall be calculated by amortizing the cost of the Chloramine System at 6% interest over a 30-year period, which shall begin the year the facilities are placed in service. The annual Chloramination Credit amount will be divided by 12 and the resultant amount will be credited monthly toward the fees payable to the Authority for the Water used by the Converted Entity.

New/Replacement Facilities

In order to help facilitate the effective implementation of the GRP, any Payor who anticipates the construction of new or replacement Water production, storage and/or treatment facilities and/or related appurtenances shall advise the Authority of those plans as early in the process as possible. The Authority will review such proposed improvements for conformity with the goals of the GRP and the possibility of the Authority being able to address those needs (i.e., by providing water in lieu of the Payor having to construct or replace facilities). Within the limits of its jurisdiction, the Authority will regulate construction of such facilities to accomplish the goals of the GRP.

Policy Implementation

The General Manager is authorized to take any actions on behalf of the Authority necessary and convenient to accomplish the purposes of this Updated Pricing Policy. The General Manager is also authorized to take actions necessary to comply with any special credit provisions provided under any agreements that may exist between a Payor and the Authority.

T Water Service
Calculations / Assumptions for NHCRWA Pass Through
Effective Date 9/1/2019

$$R = G (1 - L)$$

$$G = \text{Gallonge Charge by NHCRWA} = \$4.60$$

4.60

$$L = \text{water line loss for preceding 12 months, not to exceed 0.15 (15\%)} = 2.6\%$$

0.026

$$R = \$4.60 / (1 - .026)$$

0.974

$$R = \$4.60 / (0.974) = \$4.72$$

4.72 Calculated Charge

Usage X 1,000

✶

WATER UTILITY TARIFF

Inline Development, LLC
(Utility Name)

21755 IH 45 North, Suite 11
(Business Address)

Spring, Texas 77388
(City, State, Zip Code)

(281) 651-1126
(Area Code/Telephone)

This tariff is effective for utility operations under the following Certificate of Convenience and Necessity:

12946

This tariff is effective in the following counties:

Harris

This tariff is effective in the following cities or unincorporated towns (if any):

N/A

This tariff is effective in the following subdivisions or public water systems:

Sugarberry Place, PWS ID No. 1013084

Cottage Gardens, PWS ID No. 1013271

TABLE OF CONTENTS

The above utility lists the following sections of its tariff (if additional pages are needed for a section, all pages should be numbered consecutively):

SECTION 1.0 – RATE SCHEDULE	2
SECTION 2.0 – SERVICE RULES AND POLICIES	4
SECTION 3.0 – EXTENSION POLICY.....	11

APPENDIX A – DROUGHT CONTINGENCY PLAN

APPENDIX B – APPLICATION FOR SERVICE

SECTION 1.0 – RATE SCHEDULE

Section 1.1 Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonge Charge</u>
5/8" or 3/4"	<u>\$28.00</u> (Includes 0 gallons)	<u>\$3.59</u> per 1,000 gallons
1"	\$33.00	
1 1/2"	\$57.00	
2"	\$130.00	
3"	\$186.00	
4"	\$186.00	

***North Harris County Regional Water Authority (NHCRWA) Pass Through Fee \$4.25/1,000 gallons. This fee is applicable to the Cottage Gardens Subdivision customers only.**

FORM OF PAYMENT: The utility will accept the following forms of payment:

Cash X Check X Money Order X Credit Card Other (specify)

THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

REGULATORY ASSESSMENT..... 1.0%
PUC RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL AND TO REMIT THE FEE TO THE TCEQ.

Section 1.2 Miscellaneous Fee

TAP FEE..... \$500.00
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 5/8" or 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE (Unique Costs)..... Actual Cost
FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL AREAS.

TAP FEE (Large Meter) Actual Cost
TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.

METER RELOCATION FEE Actual Relocation Cost, Not to Exceed Tap Fee
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

METER TEST FEE \$25.00

THIS FEE WHICH SHOULD REFLECT THE UTILITY'S COST MAY BE CHARGED IF A CUSTOMER REQUESTS A SECOND METER TEST WITHIN A TWO-YEAR PERIOD AND THE TEST INDICATES THAT THE METER IS RECORDING ACCURATELY. THE FEE MAY NOT EXCEED \$25.

RECONNECTION FEE

THE RECONNECT FEE MUST BE PAID BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS (OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF):

- a) Nonpayment of bill (Maximum \$25.00)..... \$25.00
- b) Customer's request that service be disconnected..... \$0.00

TRANSFER FEE..... \$0.00

THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED.

LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL) 10%

PUC RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE \$25.00

RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50) \$50.00

COMMERCIAL & NON-RESIDENTIAL DEPOSIT.. 1/6TH OF ESTIMATED ANNUAL BILL

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:

WHEN AUTHORIZED IN WRITING BY PUC AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [16 TAC 24.21(K)(2)]

LINE EXTENSION AND CONSTRUCTION CHARGES:

REFER TO SECTION 3.0-EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES WHEN NEW CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.

PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE:

Changes in fees imposed by any wholesale water supplier or underground water district having jurisdiction over the Utility shall be passed through as an adjustment to the water gallonage charge according to the formula:

$$R = G / (1 - L)$$

R = proposed pass-through rate

G = new gallonage charge by the source supplier

L = actual line loss for preceding months, not to exceed 0.15 (15%)

At this time, Inline is not proposing to increase the pass-through with line loss and is only passing through the direct cost from NHCRWA. Accordingly, L = 0.