



Control Number: 52032



Item Number: 3

Addendum StartPage: 0

TARIFF CONTROL NO. 52032

APPLICATION OF INLINE
DEVELOPMENT INC. FOR A PASS
THROUGH RATE CHANGE

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PUBLIC UTILITY COMMISSION
OF TEXAS

2021 MAY 17 AM 10:02

COMMISSION STAFF’S RECOMMENDATION ON THE APPLICATION

On April 15, 2021, Inline Development Inc. (Inline) filed an application under 16 Texas Administrative Code § 24.25(b) for approval of a pass-through rate change related to an increase in fees imposed on the utility by North Harris County Regional Water Authority.

On April 16, 2021, the administrative law judge filed a notice setting the deadline for the Staff of the Public Utility Commission of Texas (Staff) to file a recommendation on the application and notice along with a proposed procedural schedule, if applicable, by May 17, 2021. Therefore, this pleading is timely filed.

I. RECOMMENDATION

Staff has reviewed Inline’s application and, as detailed in the attached memorandum from Leila Guerrero, Rate Regulation Division, recommends that the application and notice be found deficient. Staff recommends that Inline be ordered to cure the deficiencies outlined in Ms. Guerrero’s memorandum. Inline’s proposed effective date for the pass-through rate increase is April 26, 2021. If Inline has not started charging the requested pass-through rate of \$4.72 per 1,000 gallons, Staff recommends that Inline refrain from charging it until the application is approved and customers have been re-noticed.

II. PROPOSED PROCEDURAL SCHEDULE

In accordance with Staff’s deficiency recommendation, Staff proposes the following procedural schedule:

Event	Deadline
Deadline for Inline to file supplemental information to cure the deficiencies identified by Staff	May 31, 2021
Deadline for Staff’s supplemental recommendation on the application and notice	June 14, 2021

3

III. CONCLUSION

Staff recommends that the application and notice be found deficient and that the above-proposed procedural schedule be adopted. Staff respectfully requests the entry of an order consistent with the foregoing recommendations.

Dated: May 17, 2021

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Rachelle Nicolette Robles
Division Director

Eleanor D'Ambrosio
Managing Attorney

/s/ Robert Dakota Parish
Robert Dakota Parish
State Bar No. 24116875
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7442
(512) 936-7268 (facsimile)
Robert.Parish@puc.texas.gov

TARIFF CONTROL NO. 52032

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 via electronic mail on May 17, 2021, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Robert Dakota Parish
Robert Dakota Parish

Public Utility Commission of Texas

Memorandum

TO: Robert Parish, Attorney
Legal Division

FROM: Leila Guerrero, Regulatory Accountant
Rate Regulation Division

DATE: May 17, 2021

RE: **Tariff Control No. 52032** - *Application of Inline Development Inc. for a Pass-Through Rate Change*

On April 15, 2021, Inline Development Inc. (Inline) filed an application to implement a pass-through rate change under 16 Texas Administrative Code (TAC) § 24.25(b)(2) for an increase in fees billed by the North Harris County Regional Water Authority (NHCRWA). NHCRWA raised the fee charged to Inline from \$4.25 to \$4.60 per thousand gallons, effective April 1, 2021.

Inline is providing service under Certificate of Convenience and Necessity (CCN) number 12946,¹ and the application included a copy of the tariff pages for CCN number 12946 that contain the rates that will change if the application is approved.² A copy of the notice provided to customers was also filed with the application.³

Inline has requested a proposed pass-through rate changes from \$4.25 to \$4.72 per thousand gallons for public water system number 1013271.⁴

Based on my review of the application, I recommend that it be deemed insufficient for filing at this time. I recommend that Inline provide the following to resolve the deficiencies:

1. The most recent notice from NHCRWA regarding the rate increase from \$4.25 to \$4.60 per thousand gallons. The letter included with the application was for a NHCRWA rate increase that was effective April 1, 2020;
2. Copies of invoices from NHCRWA for the past 12 months;
3. A revised proposed notice to customers for the pass-through rate increase. The notice attached to the application indicated that Inline Development Inc. holds CCN No. 10336, which is incorrect;

¹ 16 TAC § 24.25(b)(2)(F)(i)(I).

² 16 TAC § 24.25(b)(2)(F)(i)(VIII).

³ 16 TAC § 24.25(b)(2)(F)(i)(III).

⁴ 16 TAC § 24.25(b)(2)(F)(i)(II).

4. The tariff pages you have provided with the application are different from our records on file. Provide copies of complete tariffs approved by the Public Utility Commission for Docket No. 43069 (rate change application) and Tariff Control No. 43083 (pass-through rate change application); and
5. Documentation demonstrating that the 1% Regulatory Assessment Fee was paid to the Texas Commission on Environmental Quality for the years 2019 and 2018.

In addition, our records show that Inline has not filed its Annual Report for the year 2019, which was due by June 2020. If Inline has already filed this Annual Report for 2019, please provide us a copy, otherwise, Inline needs to file the 2019 Annual Report as soon as possible.