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APPLICATION OF CANEY CREEK UTILITIES FOR A CLASS D RATE ADJUSTMENT

PUBLIC UTILITY COMMISSION

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OF TEXAS

#### NOTICE OF APPROVAL

This Notice of Approval addresses the application of Caney Creek Utilities, Inc., a class D utility, for an annual rate adjustment under Texas Water Code (TWC) § 13.1872. The Commission increases Caney Creek's monthly water base rates, gallonage rates, and sewer flat rate by 5.0%, effective August 20, 2021.

## I. Findings of Fact

The Commission makes the following findings of fact.

### **Applicant**

- 1. Caney Creek is a Texas corporation registered with the Texas secretary of state under filing number 103339600.
- 2. Caney Creek operates and maintains facilities for providing water service under water certificate of convenience and necessity (CCN) number 11215 in Montgomery County and serves 52 active water connections.
- Caney Creek operates a public water system registered with the Texas Commission on Environmental Quality (TCEQ) under identification number 1700328 for Caney Creek Utility.
- 4. Caney Creek operates and maintains facilities for providing sewer service under sewer CCN number 20551 in Montgomery County and serves 56 active sewer connections.
- 5. Caney Creek operates a sewer system permitted with the TCEQ under permit number WQ0012023001 for the Hunter's Point and Tealwood subdivisions.

#### Application

6. On May 4, 2021, Caney Creek filed the application at issue in this proceeding in which it seeks a class D annual rate adjustment of 5.0%.

- 7. This application is Caney Creek's first requested class D rate adjustment between base rate proceedings.
- 8. On May 18, 2021, Caney Creek filed an amended application.
- 9. In Order No. 2 filed on June 4, 2021, the administrative law judge found the application, as amended, administratively complete and accepted for filing.

# Rate Adjustment

- 10. Caney Creek requested a 5.0% annual rate adjustment to its monthly water base rates, water gallonage rates, and sewer flat rates.
- 11. Caney Creek proposed increasing its monthly water base rates as follows:

Meter Size (includes 5,000 gallons)	Current Minimum Monthly Charge	Proposed Minimum Monthly Charge
5/8"	\$44.00	\$46.20
3/4"	\$44.00	\$46.20

12. Caney Creek proposed increasing its monthly water gallonage rates as follows:

For each 1,000 gallons over the minimum	Current Rate	Proposed Rate
5/8"	\$2.00	\$2.10
3/4"	\$2.00	\$2.10

13. Caney Creek proposed increasing its monthly sewer flat rates as follows:

Current Flat Rate	Proposed Flat Rate
\$44.00	\$46.20

### **Tariffs**

14. On June 3, 2021, Commission Staff filed the proposed water and sewer tariffs 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. Caney Creek 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), Caney Creek 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 5.0% increase in Caney Creek's monthly water base and water and sewer 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, and Commission rules.
- 6. Caney Creek 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 Caney Creek's application for a class D annual rate adjustment, effective August 20, 2021.
- 2. The Commission adjusts Caney Creek's monthly water base rates, effective August 20, 2021, as follows:

Meter Size (includes 5,000 gallons)	Approved Water Base Rate
5/8"	\$46.20
3/4"	\$46.20

<sup>&</sup>lt;sup>1</sup> Tex, Gov't Code §§ 2001.001-.903.

3. The Commission adjusts Caney Creek's monthly water gallonage rates, effective August 20, 2021, as follows:

For each 1,000 gallons over the minimum	Approved Water Gallonage Rate
5/8"	\$2.10
3/4"	\$2.10

4. The Commission adjusts Caney Creek's monthly sewer flat rates, effective August 20, 2021, as follows:

Current Flat Rate	Approved Flat Rate
\$44.00	\$46.20

- 5. The Commission approves the water and sewer tariffs attached to Commission Staff's June 3, 2021 recommendation on administrative completeness and final disposition.
- 6. 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.
- 7. Caney Creek must, by July 20, 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 20, 2021, using the form attached to Commission Staff's recommendation on administrative completeness and final disposition filed on June 3, 2021.
- 8. By July 20, 2021, Caney Creek must file proof that it has provided notice as specified above.
- 9. 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 15th day of June 2021.

PUBLIC UTILITY COMMISSION OF TEXAS

CHRISTINA DENMARK ADMINISTRATIVE LAW JUDGE