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TARIFF CONTROL NO. 52605

APPLICATION OF SWWC UTILITIES, INC. DBA HORNSBY BEND UTILITY COMPANY, INC. FOR TRUE-UP REPORT AND PASS THROUGH RATE CHANGE	§ § § § §	PUBLIC UTILITY COMMISSION OF TEXAS
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NOTICE OF APPROVAL

This Notice of Approval addresses the application of SWWC Utilities, Inc. dba Hornsby Bend Utility Company, Inc. (SWWC Utilities) for approval of a true-up report and request for a pass-through rate change for fees billed by Epcor 130 Project, Inc. (Epcor). The pass-through rate change affects all customers within SWWC Utilities’ service area under certificate of convenience and necessity (CCN) number 11978. The Commission approves the true-up report and requested pass-through rate to the extent provided in this Notice of Approval.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

1. SWWC Utilities is a Delaware corporation registered with the Texas secretary of state under filing number 800832416 and has an assumed name certificate on file with the Texas secretary of state for the name Hornsby Bend Utility Company, Inc.
2. SWWC Utilities holds CCN number 11978, under the name Hornsby Bend Utility Company, that obligates SWWC Utilities to provide retail water service in its certificated service area in Travis County.

Application

3. On September 15, 2021, SWWC Utilities filed the application at issue in this proceeding.
4. In its application, SWWC Utilities filed a true-up report to address any over or under collection of revenues produced by the pass-through gallonage rate for the Epcor fees paid for by customers subjected to the rate change approved in Tariff Control No. 51358.¹

¹ *Application of SWWC Utilities, Inc. dba Hornsby Bend Utility Company for a Pass Through Rate Change; Tariff Control No. 51358, Notice of Approval (May 5, 2021).*

Additionally, SWWC Utilities requests approval of a proposed pass-through rate change related to Epcor fees based on the most recent 12-month period for with revenue and usage data.

5. The proposed pass-through rate would decrease the Epcor pass-through rate from \$0.23 per 1,000 gallons to negative \$0.07 per 1,000 gallons.
6. The application contained the affected CCN number, the affected subdivisions, the affected public water system names and corresponding numbers issued by the Texas Commission on Environmental Quality, 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 the true-up of pass-through costs, the calculations and assumptions used to determine the new rates, a true-up report, and a copy of the pages of the utility's tariff that contain the rates that will change if the utility's application is approved.
7. On October 19, 2021, the administrative law judge (ALJ) found the application administratively complete.

Notice

8. SWWC Utilities provided notice of the pass-through rate change to affected customers on or about September 15, 2021.
9. The notice contained the effective date of the change, the present calculation of customer billings, the new calculation of customer billings, the change in charges to SWWC Utilities 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."
10. On October 19, 2021, the ALJ found the notice sufficient.

Jurisdiction

11. SWWC Utilities is a utility that purchases water.
12. SWWC Utilities is under the original jurisdiction of the Commission.

Eligibility for Pass-Through Rate Change

13. The proposed charge will pass through only the actual costs charged to SWWC Utilities by its suppliers and does not duplicate costs otherwise charged to customers under the current tariff.
14. SWWC Utilities provided a true-up report reflecting any over or under collection of revenues produced by the pass-through gallonage rates for the Epcor fees paid for by customers subjected to the rate change approved in Tariff Control No. 51358. The true-up report was filed within one month of the end of the true-up period.

Tariff

15. SWWC Utilities' current pass-through rate and tariff provisions were approved by the Commission on May 5, 2021, in Tariff Control No. 51358.
16. On October 15, 2021, Commission Staff filed a proposed tariff for this case as an attachment to its recommendation.

Informal Disposition

17. More than 15 days have passed since the completion of notice provided in this docket.
18. No person filed a protest or motion to intervene.
19. SWWC Utilities and Commission Staff are the only parties to this proceeding.
20. No party requested a hearing and no hearing is needed.
21. Commission Staff recommended approval of the application.
22. This decision is not adverse to any party.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. The Commission has authority over the application under TWC § 13.041.
2. SWWC Utilities is a retail public utility as defined in TWC § 13.002(19) and 16 TAC § 24.3(31), and a utility as defined in TWC § 13.002(23) and 16 TAC § 24.3(39).
3. The Commission may approve this minor change to SWWC Utilities' water tariff and may approve the true-up report under 16 TAC § 24.25(b)(2)(A)(vii).

4. The application meets the requirements set forth in 16 TAC § 24.25.
5. Notice of the application was provided in compliance with 16 TAC § 24.25(b)(2)(F)(ii).
6. The Commission processed the application as required by the TWC, the Administrative Procedure Act,² and Commission rules.
7. The requirements for informal disposition in 16 TAC § 22.35 have been met in this proceeding.

III. Ordering Paragraphs

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

1. The Commission approves SWWC Utilities' annual true-up report for calendar year 2021.
2. The Commission approves, effective October 1, 2021, a pass-through rate of negative \$0.07 per 1,000 gallons for customers within SWWC Utilities' service area under CCN number 11978.
3. The Commission approves the proposed tariff filed by Commission Staff on October 15, 2021.
4. 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.
5. If SWWC Utilities collects an amount as a result of this pass-through rate increase that is higher than the purchased water costs incurred, SWWC Utilities must refund any amounts collected in excess of the purchased water costs.
6. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

² Tex. Gov't Code §§ 2001.001–.903.

Signed at Austin, Texas the 3rd day of November 2021.

PUBLIC UTILITY COMMISSION OF TEXAS

A handwritten signature in black ink, appearing to read "Christina Denmark". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

CHRISTINA DENMARK
ADMINISTRATIVE LAW JUDGE

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