



## Filing Receipt

**Received - 2021-12-21 02:45:17 PM**  
**Control Number - 52770**  
**ItemNumber - 10**

 **WATERENGINEERS, INC.**

*WATER & WASTEWATER TREATMENT CONSULTANTS*  
17230 HUFFMEISTER ROAD, SUITE A~CYPRESS, TEXAS 77429-1643  
TEL: 281-373-0500 FAX: 281-373-1113

December 21, 2021

Public Utility Commission of Texas  
Central Records  
1701 N. Congress, Suite 8-100  
Austin, Texas 78701

Re: Royal Valley Utilities, Inc. Water CCN 12922  
North Fort Bend Water Authority Groundwater Reduction Plan Fee Increase  
Sugar Land Groundwater Reduction Plan Fee Increase  
Tariff Control No. 52770

Dear Public Utility Commission of Texas:

We are in receipt of the memo from Maxin Gilford, Financial Analyst, regarding an error in the line loss calculations used for the above referenced GRP fee increases. We are in agreement with Ms. Gilford that the line losses originally submitted were incorrect. Please find attached corrected notices for customers and associated tables and calculations for each.

If you have any questions or need further information, please let me know.

Regards,  
WATERENGINEERS, INC.

*Shelley Young*

Shelley Young, P.E.  
Project Engineer

Encl: As noted

## Detailed Explanation for the Calculation of the NFBWA Pass-Through Gallonage Rate Adjustment

Royal Valley Utilities, Inc. Water Tariff Fee Pass-Through Calculation for North Fort Bend Water Authority (NFBWA) Groundwater Reduction Plan (GRP) Water Gallonage Charge is:

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

Where:

R = the proposed pass-through rate

G = the new gallonage charge (per 1,000 gallons) by source supplier

L = the actual line loss for the preceding 12 months, not to exceed 0.15

And:

G = \$4.55/1,000 gallons

L = 6.71% (see the following spreadsheet)

Therefore:

$$G = (\$4.55)/(1-0.0671) = \underline{\underline{\$4.88/1,000 \text{ gallons}}}$$

ROYAL VALLEY UTILITIES, INC.  
 KINGDOM HEIGHTS SUBDIVISION  
 October 2020 - September 2021

	Pumped	Sold	Total Lost	% Lost	
Oct-20	4,292,400	4,032,520	259,880	6.05%	
Nov-20	4,176,800	3,954,960	221,840	5.31%	
Dec-20	5,158,600	4,848,350	310,250	6.01%	
Jan-21	2,611,100	2,542,340	68,760	2.63%	
Feb-21	4,521,100	3,230,090	1,291,010	28.56%	numbers are unusual due to issues related to freeze
Mar-21	2,501,000	3,439,410	(938,410)	-37.52%	
Apr-21	4,252,100	3,933,700	318,400	7.49%	
May-21	5,710,800	5,304,760	406,040	7.11%	
Jun-21	2,874,600	2,827,310	47,290	1.65%	
Jul-21	4,513,300	4,089,970	423,330	9.38%	
Aug-21	5,335,300	4,949,460	385,840	7.23%	
Sep-21	5,301,800	4,774,900	526,900	9.94%	
TOTALS	51,248,900	47,927,770	3,321,130	6.48%	
	44,226,800	41,258,270	2,968,530	6.71%	excluding unusual months

Dear Royal Valley Utilities Utility (Kingdom Heights Subdivision) Customer:

January 3, 2022

You were previously sent this notice on November 19, 2021. It contained an error regarding the line loss. Please accept this corrected notice. We received notice from North Fort Bend Water Authority (NFBWA) regarding an increase in the “Pass Through” pumpage fees they are charging as part of the county-wide Groundwater Reduction Plan, effective January 1, 2022. As a result, you will see the NFBWA Fee increased from \$4.25/1,000 gallons to \$4.55/1,000 gallons with a 6.71% line loss effective January 1, 2022.

**New Water Pass Through Fee Calculation**

G = Gallonage charge of NFBWA (per 1,000 gallons)      \$4.55

L = water line loss not to exceed 15%                                      6.71%

AG = Adjusted gallonage charge =  $G/(1-L) = \$4.55/(1-.0671) = \mathbf{\$4.88/1,000 \text{ gallons}}$

**Present Billing Calculation for 7,000 gallons of usage in a month: \$65.08**

Base bill: \$20.00

Utility Gallonage Rate: \$2.00/1,000 gallons X 7 = \$14.00

NFBWA Pass Through: \$4.44/1,000 gallons x 7 = \$31.08

**New Billing Calculation for 7,000 gallons of usage in a month: \$68.16**

Base bill: \$20.00

Utility Gallonage Rate: \$2.00/1,000 gallons X 7 = \$14.00

NFBWA Pass Through: \$4.88/1,000 gallons x 7 = \$34.16

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. If you have any questions regarding the process mentioned above, or the assessed fees by the NFBWA, you may learn more by going to the NFBWA website: [www.nfbwa.org](http://www.nfbwa.org).

Sincerely, Royal Valley Utilities

## Detailed Explanation for the Calculation of the SLGRP Pass-Through Gallonage Rate Adjustment

Royal Valley Utilities, Inc. Water Tariff Fee Pass-Through Calculation for Sugar Land Groundwater Reduction Plan (SLGRP) Water Gallonage Charge is:

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

Where:

R = the proposed pass-through rate

G = the new gallonage charge (per 1,000 gallons) by source supplier

L = the actual line loss for the preceding 12 months, not to exceed 0.15

And:

G = \$3.61/1,000 gallons

L = 9.85% (0.0985) for system average line loss (see following spreadsheet)

Therefore:

$$R = \$3.61/(1-0.0985) = \underline{\$4.00/1,000 \text{ gallons}}$$

ROYAL VALLEY UTILITIES, INC.  
ROYAL LAKES ESTATES SUBDIVISION  
October 2020 - September 2021

	Pumped	Sold	Total Lost	% Lost	
Oct-20	8,995,800.00	7,935,290.00	1,060,510.00	11.79%	
Nov-20	8,399,000.00	7,410,330.00	988,670.00	11.77%	
Dec-20	5,451,000.00	5,169,020.00	281,980.00	5.17%	
Jan-21	1,990,500.00	1,880,740.00	109,760.00	5.51%	
Feb-21	5,520,400.00	3,239,570.00	2,280,830.00	41.32%	Meter issues during
Mar-21	2,631,200.00	3,731,650.00	(1,100,450.00)	-41.82%	winter freeze
Apr-21	5,587,600.00	5,070,120.00	517,480.00	9.26%	
May-21	5,350,800.00	4,851,480.00	499,320.00	9.33%	
Jun-21	4,703,300.00	4,185,500.00	517,800.00	11.01%	
Jul-21	5,786,200.00	5,051,230.00	734,970.00	12.70%	
Aug-21	6,627,300.00	5,844,090.00	783,210.00	11.82%	
Sep-21	7,193,600.00	6,768,930.00	424,670.00	5.90%	
TOTALS	68,236,700.00	61,137,950.00	7,098,750.00	10.40%	
	60,085,100.00	54,166,730.00	5,918,370.00	9.85%	excluding issues

Dear Royal Valley Utilities Utility Customer (Royal Lakes Estates and Royal Lakes Manor): January 3, 2022

You were previously sent this notice on November 23, 2021. It contained an error regarding the line loss. Please accept this corrected notice. We received notice from City of Sugar Land regarding an increase in the “Pass Through” pumpage fees they are charging as part of the county-wide Groundwater Reduction Plan, effective January 1, 2022. As a result, you will see the Sugar Land Groundwater Reduction Plan (SLGRP) Fee increased from \$3.00/1,000 gallons to \$3.61/1,000 gallons with a 9.85% line loss effective January 1, 2022.

**New Water Pass Through Fee Calculation**

G = Gallonage charge of SLGRP (per 1,000 gallons)      \$3.61  
L = water line loss not to exceed 15%                      9.85%  
R = the proposed pass-through rate =  $G/(1-L) = \$3.61/(1-.0985) = \$4.00/1,000$  gallons)

**Present Billing Calculation for 7,000 gallons of usage in a month: \$56.54**

Base Bill: \$20.00  
Utility Gallonage Rate: \$2.00/1,000 gallons X 7 = \$14.00  
SLGRP Pass Through: \$3.22/1,000 gallons x 7 = \$22.54

**New Billing Calculation for 7,000 gallons of usage in a month: \$62.00**

Base bill: \$20.00  
Utility Gallonage Rate: \$2.00/1,000 gallons X 7 = \$14.00  
SLGRP Pass Through: \$4.00/1,000 gallons x 7 = \$28.00

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. If you have any questions regarding the process mentioned above, or the assessed fees by the City of Sugar Land, you may learn more by going to the City of Sugar Land website: [www.sugarlandtx.gov/iwrrp](http://www.sugarlandtx.gov/iwrrp)

Sincerely, Royal Valley Utilities