



## Filing Receipt

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# WATERENGINEERS, INC.

WATER & WASTEWATER TREATMENT CONSULTANTS

17230 HUFFMEISTER ROAD, SUITE A~CYPRESS, TEXAS 77429-1643

TEL: 281-373-0500 FAX: 281-373-1113

October 28, 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

Dear Public Utility Commission of Texas:

Please find enclosed correspondence from the North Fort Bend Water Authority (NFBWA) indicating that the "Pass Through" pumpage fees that they are charging as part of the county-wide Groundwater Reduction Plan will increase beginning January 1, 2022. This increase will affect the customers in the Kingdom Heights Subdivision. Fees will be increasing from \$4.25/1,000 gallons (\$4.44 with line loss added in) to \$4.55/1,000 gallons (plus an additional \$0.30/1,000 gallons due to minor line loss). See the attached explanation of how the fee was calculated. Also enclosed are a spreadsheet indicating water pumped vs. water sold for the last 12 months, the notice to the customers of Royal Valley Utilities, Inc. that will be mailed on November 19, 2021, and the current tariff. **Please note that the water pumped vs. water sold for the last 12 months included unusual numbers for February and March that were the results of issues related to the freeze, specifically broken and malfunctioning master meters. The minor line loss used was calculated leaving those two months out, which resulted in a slightly lower line loss.**

This letter represents the formal request by Royal Valley Utilities, Inc. to pass through the additional fees being charged by the North Fort Bend Water Authority to its customers effective January 1, 2022.

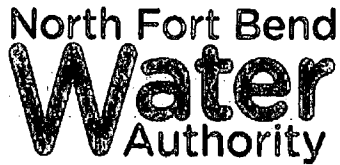
If you have any questions or need further information, please let me know.

Regards,  
WATERENGINEERS, INC.



Shelley Young, P.E.  
Project Engineer

Encl: As noted



SEND TO  
SHELLEY  
YOUNG

August 25, 2021

TO: Utility Districts, the City of Fulshear, Texas, and Non-District/Non-City Well Owners Located Within the North Fort Bend Water Authority

FROM: North Fort Bend Water Authority (the "NFBWA")

RE: Notice of Preliminary 2022 Fees

This notice is being provided to assist well owners with their annual budgeting process. The NFBWA's Board of Directors anticipates increasing the Groundwater Reduction Plan Fee ("GRP Fee") to \$4.55 per 1,000 gallons of water pumped and the Surface Water Fee ("Surface Water Fee") to \$4.90 per 1,000 gallons of surface water received, which correspondingly increases the Imported Water Fee, **effective January 1, 2022**. These fees will be utilized to fund the cost of constructing, operating, and maintaining the Authority's current surface water supply system, as well as the capital costs associated with constructing the additional large-scale infrastructure projects needed to meet the Fort Bend Subsidence District's groundwater reduction requirements.

The NFBWA's 2022 budget will be adopted at the December, 2021 regular meeting of the Board of Directors, at which time a discussion of budget, water supply, and Groundwater Reduction Plan issues will take place. A notice of the meeting date and location for formal adoption of the GRP Fee and the Surface Water Fee will be distributed at a later date.

c/o Allen Boone Humphries Robinson LLP • 3200 Southwest Freeway, Suite 2600  
Houston, TX 77027 • [www.nfbwa.com](http://www.nfbwa.com) • 713-860-6400 • 713-860-6401 Fax

## 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 = 6.28% (see the following spreadsheet)

Therefore:

$$G = (\$4.55)/(1-0.0628) = \underline{\underline{\$4.85/1,000 \text{ gallons}}}$$

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%	
				6.28%	excluding unusual months

Dear Royal Valley Utilities Utility (Kingdom Heights Subdivision) Customer: November 19, 2021

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 6.28% 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% 6.28%

AG = Adjusted gallonage charge =  $G/(1-L) = \$4.55/(1-.0628) = \mathbf{\$4.85/1,000 \text{ gallons}}$

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

Base bill: \$20.00

Utility Gallonage Rate:  $\$2.00/1,000 \text{ gallons} \times 7 = \$14.00$

NFBWA Pass Through:  $\$4.44/1,000 \text{ gallons} \times 7 = \$31.08$

**New Billing Calculation for 7,000 gallons of usage in a month: \$67.95**

Base bill: \$20.00

Utility Gallonage Rate:  $\$2.00/1,000 \text{ gallons} \times 7 = \$14.00$

NFBWA Pass Through:  $\$4.85/1,000 \text{ gallons} \times 7 = \$33.95$

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



**WATER UTILITY TARIFF**  
**Tariff Control Number: 51533**

Royal Valley Utilities, Inc.  
(Utility Name)

19855 Southwest Fwy., Ste. 300  
(Business Address)

Sugar Land, Texas 77479-6537  
(City, State, Zip Code)

(281) 343-1400  
(Area Code/Telephone)

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

12922

This tariff is effective in the following counties:

Fort Bend

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

None

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

Royal Lakes Estates: PWS# 0790364

Kingdom Heights Subdivision: PWS#0790462

Royal Lakes Manor Subdivision: PWS# 0790364

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

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SECTION 3.0 -- EXTENSION POLICY .....	11

APPENDIX A -- DROUGHT CONTINGENCY PLAN

APPENDIX B -- SAMPLE SERVICE AGREEMENT

APPENDIX B -- APPLICATION FOR SERVICE

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size:</u>	<u>Monthly Minimum Charge</u> (Includes 0 gallons)	<u>Gallonge Charge</u>
5/8" or 3/4"	<u>\$20.00</u>	<u>\$2.00</u> per 1,000 gallons (from 0 to 20,000)
1"	<u>\$35.00</u>	<u>\$2.50</u> per 1,000 gallons thereafter
1½"	<u>\$50.00</u>	<b>PLUS</b>
2"	<u>\$65.00</u>	*City of Sugarland's GRP Fee **NFBWA GRP Fee

**Pass Through Fees, In addition to the gallonge charge:**

\*City of Sugar Land's Groundwater Reduction Plan (GRP) Fee: \$3.22 per 1,000 gallons **(Royal Lakes Estates and Royal Lakes Manor Subdivisions only)**

\*\*North Fort Bend Water Authority GRP Fee: \$4.44 per 1,000 gallons **(Kingdom Heights Subdivision only)**

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

Cash \_\_\_\_\_ 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 TEXAS COMM TCEQ.

Section 1.02 - Miscellaneous Fee

TAP FEE ..... \$400.00  
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.



SECTION 1.0 – RATE SCHEDULE (Continued)

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 .....\$40.00

TRANSFER FEE .....\$40.00

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 § 24.25(b)(2)(G)

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 NON-AFFILIATED THIRD PARTY 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 FOLLOWING FORMULA.

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

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