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TARIFF CONTROL NO. 53365

APPLICATION OF MUNSON POINT § PUBLIC UTILITY COMMISSION
PROPERTY OWNER'S ASSOCIATION §
FOR A PASS THROUGH RATE § OF TEXAS
CHANGE §

NOTICE OF APPROVAL

This Notice of Approval addresses the application of Munson Point Property Owner's Association for approval of a pass-through rate change related to an increase in water use fees imposed by the City of Denison. The Commission approves the requested pass-through rates, effective May 1, 2022, to the extent provided in this Notice of Approval.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

1. Munson Point is a Texas non-profit corporation registered with the Texas secretary of state under filing number 0138612301.
2. Munson Point holds certificate of convenience and necessity (CCN) number 13016 that obligates it to provide retail water service in its certificated service area in Grayson County.
3. Munson Point owns and operates a public water system registered with the Texas Commission on Environmental Quality under identification number 0910140.

Application

4. On March 17, 2022, Munson Point filed the application at issue in this proceeding.
5. On March 18, 2022, Munson Point filed a correction to its application.
6. In its application, Munson Point requests approval of a pass-through rate change related to an increase in the water use fees charged to Munson Point by the City of Denison that became effective on December 1, 2021.
7. The requested pass-through change would increase the monthly fixed pass-through rate from \$4.29 to \$4.7619 and the monthly variable pass-through rate from \$9.4551 to \$9.9277 per 1,000 gallons, effective May 1, 2022.

8. The application contained the affected CCN number, the affected subdivision, the affected public water system name and corresponding number issued by the Texas Commission on Environmental Quality, a copy of the notice to customers, documentation supporting the stated amounts on any new or modified pass-through costs, historical documentation of line loss for one year, all calculations and assumptions for any true-up of pass-through costs, the calculations and assumptions used to determine the new rates, and a copy of Munson Point's tariff that contains the rates that will change if Munson Point's application is approved.
9. In Order No. 2 filed April 27, 2022, the administrative law judge (ALJ) found Munson Point's application administratively complete.

Notice

10. On April 10, 2022, Munson Point provided a revised notice of the pass-through change to affected customers.
11. The revised 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 Munson Point for water use fees, 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."
12. In Order No. 2 filed on April 27, 2022, the ALJ found the revised notice sufficient.

Jurisdiction

13. Munson Point is a utility that purchases water.
14. Munson Point is under the original jurisdiction of the Commission.

Eligibility for Pass-Through Rate Change

15. The proposed pass-through charges will pass through only the actual costs charged to Munson Point by the City of Denison and will not duplicate costs otherwise charged to customers under the current tariff.

Tariff

16. Munson Point's current pass-through fees were approved by the Commission on July 22, 2021, in Docket No. 51370.¹
17. On May 3, 2022, Commission Staff filed a revised proposed tariff for this case as an attachment to its supplemental recommendation on the application.

Informal Disposition

18. More than 15 days have passed since the completion of notice provided in this docket.
19. No person filed a protest or motion to intervene.
20. Munson Point and Commission Staff are the only parties to this proceeding.
21. No party requested a hearing and no hearing is needed.
22. Commission Staff recommended approval of the application.
23. 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 Texas Water Code (TWC) § 13.041.
2. Munson Point is a retail public utility as defined in TWC § 13.002(19) and 16 Texas Administrative Code (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 Munson Point's water tariff 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).

¹ *Application of Munson Point Property Owner's Association for Authority to Change Water and Sewer Rates and for a Pass Through Rate Change, Docket No. 51370, Notice of Approval (July 22, 2021).*

6. The Commission processed the application in accordance with the requirements of the Administrative Procedure Act,² the TWC, 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, effective May 1, 2022, a fixed pass-through rate of \$4.7619 and a variable pass-through rate of \$9.9277 per 1,000 gallons for those customers within Munson Point's service area under CCN number 13016 served by public water system identification number 0910140.
2. The Commission approves the proposed tariff attached to Commission Staff's response to Order No. 3 filed on May 3, 2022.
3. 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.
4. If Munson Point collects an amount as a result of this pass-through rate increase that is higher than the purchased water costs incurred, Munson Point must refund any amounts collected in excess of the purchased water costs.
5. 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 4th day of May 2022.

PUBLIC UTILITY COMMISSION OF TEXAS

A handwritten signature in black ink that reads "Katie Moore Marx". The signature is written in a cursive, flowing style.

KATIE MOORE MARX
ADMINISTRATIVE LAW JUDGE

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