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Received - 2022-09-27 09:30:06 AM Control Number - 53713 ItemNumber - 17

DOCKET NO. 53713

PUBLIC UTILITY COMMISSION

OF TEXAS

NOTICE OF APPROVAL

This Notice of Approval addresses the application of J&S Water Company, LLC, a class D utility, for an annual rate adjustment under Texas Water Code (TWC) § 13.1872 and 16 Texas Administrative Code (TAC) § 24.29. The Commission increases J&S Water Company's minimum monthly water and sewer charges and gallonage rates for customers in the Five Oaks subdivision by 5%, effective November 1, 2022.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

- 1. J&S Water Company is a Texas limited liability company registered with the Texas secretary of state under filing number 800565031.
- 2. J&S Water Company serves 285 active water connections and 283 active sewer connections.
- 3. J&S Water Company owns and operates for compensation in Texas equipment or facilities for the transmission, storage, distribution, sale, or provision of potable water to the public in Harris County under certificate of convenience and necessity (CCN) number 12085.
- 4. J&S Water Company operates a public water system registered with the Texas Commission on Environmental Quality (TCEQ) under identification number 1011832.
- 5. J&S Water Company owns and operates for compensation in Texas equipment or facilities for the collection, transportation, treatment, or disposal of sewage or other operation of a sewage disposal service for the public in Harris, Chambers, and Liberty counties under CCN number 20658.
- 6. J&S Water Company operates a sewer system, which is permitted with the TCEQ under Texas Pollutant Discharge Elimination System number WQ12382001.

Application

- 7. On June 14, 2022, J&S Water Company filed an application for a class D annual rate adjustment of 5%.
- 8. On July 29, August 13 and 17, and September 9, 2022, J&S Water Company filed supplements to the application.
- 9. In Order No. 4 filed on September 15, 2022, the administrative law judge (ALJ) found the application, as supplemented, administratively complete and accepted for filing.
- 10. This application is J&S Water Company's first requested class D rate adjustment between base rate proceedings.

Good Cause Exception

- On August 13, 2022, J&S Water Company filed a request for a good cause exception to the requirements of 16 TAC § 24.49(f)(2).
- 12. J&S Water Company asserts that because of high fuel prices and inflation, good cause exists to allow it to file its application for a class D rate adjustment earlier than as provided by 16 TAC § 24.49(f)(2).
- 13. In Order No. 4 filed on September 15, 2022, the ALJ found that J&S Water Company showed good cause for filing its application for a class D rate adjustment earlier than as provided by 16 TAC § 24.49(f)(2).

Rate Adjustments

- 14. J&S Water Company requests a 5% annual rate adjustment to its minimum monthly water charges, by meter size, and gallonage rate for the Five Oaks subdivision.
- 15. J&S Water Company's current and proposed minimum monthly water charges, by meter size, are:

Meter Size (includes 0 gallons)	Current Minimum Monthly Charge	Proposed Minimum Monthly Charge
5/8" or 3/4"	\$23.44	\$24.61
1"	\$58.60	\$61.53
1 1/2"	\$117.20	\$123.06
2"	\$187.52	\$196.90
3"	\$351.60	\$369.18
4"	\$586.00	\$615.30
6"	\$1,172.00	\$1,230.60

16. J&S Water Company's current and proposed gallonage rate is:

Gallonage Rate	Current Gallonage Rate	Proposed Gallonage Rate
(for each additional 1,000		
gallons over the minimum)		
	\$1.50	\$1.58

- 17. J&S Water Company requests a 5% annual rate adjustment to its minimum monthly sewer charges, by meter size, and gallonage rate for the Five Oaks subdivision.
- 18. J&S Water Company's current and proposed minimum monthly sewer charges, by meter size, are:

Meter Size (includes 0 gallons)	Current Minimum Monthly Charge	Proposed Minimum Monthly Charge
5/8" or 3/4"	\$36.15	\$37.96
1"	\$90.38	\$94.90
1 1/2"	\$180.75	\$189.79
2"	\$289.20	\$303.66
3"	\$542.25	\$569.36
4"	\$903.75	\$948.94
6"	\$1,807.50	\$1,897.88

19. J&S Water Company's current and proposed gallonage rate is:

Gallonage Rate	Current Gallonage	Proposed Gallonage Rate
(for each additional 1,000	Rate	
gallons over the minimum)		
	\$2.00	\$2.10

Tariffs

- 20. On August 26, 2022, Commission Staff filed the proposed water tariff as an attachment to its recommendation on administrative completeness and final disposition.
- 21. On September 15, 2022, Commission Staff filed the proposed sewer tariff as an attachment to its response to Order No. 3.

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. J&S Water Company is a public utility as defined in TWC § 13.002(23) and a class D utility under TWC § 13.002(4-d).

- 3. Under TWC § 13.1872(f), J&S Water Company may adjust its rates not more than once each year and not more than four times between rate proceedings under TWC § 13.1871.
- 4. J&S Water Company showed good cause for filing its application for a class D rate adjustment earlier than as provided by 16 TAC § 24.49(f)(2).
- 5. A 5% increase in J&S Water Company's water and sewer monthly minimum charges and gallonage rates complies with TWC § 13.1872(e)(2).
- 6. The Commission processed the application in accordance with the requirements of the TWC, the Administrative Procedure Act, and Commission rules.
- 7. J&S Water Company demonstrated that it met the requirements of TWC § 13.1872 for approval of the rate adjustments.
- 8. Under TWC § 13.1872(c)(1), J&S Water Company must provide notice 30 days before the effective date of the approved change.
- 9. Under 16 TAC § 24.49(e), J&S Water Company 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 increases J&S Water Company's minimum monthly water and sewer charges, by meter size, and gallonage rates by 5%, effective November 1, 2022, for customers in the Five Oaks subdivision.
- 2. Effective November 1, 2022, J&S Water Company's minimum monthly water charges, by meter size, along with gallonage rate are:

Meter Size	Minimum Monthly
(includes 0 gallons)	Charge
5/8" or 3/4"	\$24.61
1"	\$61.53
1 1/2"	\$123.06
2"	\$196.90
3"	\$369.18

¹ Tex. Gov't Code §§ 2001.001–.903.

4"	\$615.30
6"	\$1,230.60

Gallonage Rate	Gallonage Rate
(for each additional 1,000 gallons over	(per 1,000 gallons)
the minimum)	
	\$1.58

3. Effective November 1, 2022, J&S Water Company's minimum monthly sewer charges, by meter size, along with gallonage rate are:

Meter Size	Minimum Monthly
(includes 0 gallons)	Charge
5/8" or 3/4"	\$37.96
1"	\$94.90
1 1/2"	\$189.79
2"	\$303.66
3"	\$569.36
4"	\$948.94
6"	\$1,897.88

Gallonage Rate (for each additional 1,000 gallons over	Gallonage Rate (per 1,000 gallons)
the minimum)	
	\$2.10

- 4. The Commission approves the water tariff attached to Commission Staff's August 26, 2022 recommendation on administrative completeness and final disposition.
- 5. The Commission approves the sewer tariff attached to Commission Staff's September 15, 2022 response to Order No. 3.
- 6. Within ten days of the date of this Notice of Approval, Commission Staff must provide a clean copy of the tariffs approved by this Notice of Approval, with the approved effective date, with Central Records to be marked *Approved* and kept in the Commission tariff book.
- 7. J&S Water Company must, by October 1, 2022, provide to each ratepayer by mail, or by electronic mail if the ratepayer has agreed to receive communications electronically, notice of the rate adjustments with the effective date of November 1, 2022, using the proposed notice included with its application.

- 8. By October 13, 2022, J&S Water Company 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 27th day of September 2022.

PUBLIC UTILITY COMMISSION OF TEXAS

SUSAN E. GOODSON

ADMINISTRATIVE LAW JUDGE

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