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TARIFF CONTROL NO. 53913

APPLICATION OF WOODLAND	§	PUBLIC UTILITY COMMISSION
HILLS WATER, LLC FOR A	§	
PASS-THROUGH RATE CHANGE	§	OF TEXAS

NOTICE OF APPROVAL

This Notice of Approval addresses the application of Woodland Hills Water, LLC for approval of a pass-through rate change related to an increase in water use fees imposed by the San Jacinto River Authority (SJRA) for customers in the Texaba subdivision. The Commission approves the pass-through rate change, effective September 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. Woodland Hills is a Texas limited liability company registered with the Texas secretary of state under filing number 0801345422.
2. Woodland Hills holds certificate of convenience and necessity (CCN) number 12388 that obligates it to provide retail water service in Liberty and Montgomery counties.
3. Woodland Hills owns and operates a public water system registered with the Texas Commission on Environmental Quality (TCEQ) under identification number 1700621 that serves the Texaba subdivision.

Application

4. On July 29, 2022, Woodland Hills filed the application at issue in this proceeding.
5. In its application, Woodland Hills seeks approval of pass-through fee changes, effective September 1, 2022. Specifically, Woodland Hills requested to increase the SJRA pass-through fee for customers of the Texaba subdivision from \$3.37 per 1,000 gallons to \$3.52 per 1,000 gallons.

6. Woodland Hills' requested increase is the result of an increase to the water use fees charged by SJRA to Woodland Hills. SJRA increased the pumpage fee and import fee from \$2.88 per 1,000 gallons to \$2.99 per 1,000 gallons, effective September 1, 2022.
7. Woodland Hills requested a pass-through fee of \$3.52, which includes compensation for line loss of 15%, calculated in accordance with the pass-through equation in its approved tariff.
8. The application contained the affected CCN number, the affected subdivision, public water system name and corresponding number issued by the TCEQ, 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 any true-up of pass-through costs, the calculations and assumptions used to determine the new rates, and a copy of the pages of the utility's tariff that contains the rates that will change if the application is approved.
9. In Order No. 2 filed on September 6, 2022, the administrative law judge (ALJ) found the application administratively complete.

Notice

10. On or about July 29, 2022, Woodland Hills provided notice of its requested pass-through rate change to affected customers.
11. 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 Woodland Hills 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 (TAC) § 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 September 6, 2022, the ALJ found the notice sufficient.

Jurisdiction

13. Woodland Hills is a utility that purchases water.
14. Woodland Hills is under the original jurisdiction of the Commission.

Eligibility for Pass-Through Rate Change

15. The proposed charge will pass-through only the actual costs charged to Woodland Hills by SJRA and does not duplicate costs otherwise charged to customers under the current tariff.

Tariff

16. Woodland Hills' current SJRA pass-through fee for the Texaba subdivision was approved by the Commission on November 29, 2021 in Tariff Control No. 52629.¹
17. Woodland Hills' current tariff prescribes a formula by which changes in pass-through fees are to be calculated.
18. On September 30, 2022, Commission Staff filed a proposed tariff as an attachment to its proposed Notice of Approval. The proposed tariff reflects the approval of the proposed SJRA pass-through gallonage charge increases.

Evidence

19. In Order No. 3 filed on October 5, 2022, the ALJ admitted the following evidence into the record: (a) Woodland Hills' application and all attachments filed on July 29, 2022; (b) Commission Staff's recommendation on the application and notice filed on August 29, 2022; and (c) the tariff attached to the proposed notice of approval filed on September 30, 2022.

Informal Disposition

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

¹ *Application of Woodland Hills Water, LLC for a Pass-Through Rate Change*, Tariff Control No. 52629, Notice of Approval (Nov. 29, 2021).

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. Woodland Hills is a retail public utility as defined in TWC § 13.002(19) and 16 TAC § 24.3(31), and a utility as defined under TWC § 13.002(23) and 16 TAC § 24.3(39).
3. The Commission may approve this minor change to Woodland Hills' 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).
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.

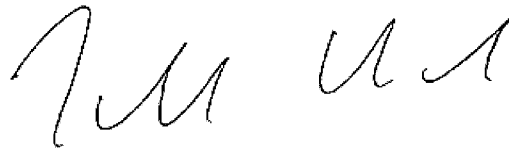
1. The Commission approves the pass-through rate change from \$3.37 per 1,000 gallons to \$3.52 per 1,000 gallons, effective September 1, 2022, for customers in the Texaba subdivision.
2. The Commission approves the proposed tariff attached to Commission Staff's proposed notice of approval filed on September 30, 2022.
3. Within ten days of the date this Notice of Approval is filed, Commission Staff must provide the Commission with a clean copy of the Woodland Hills tariff to be stamped *Approved* and retained by Central Records.

² Tex. Gov't Code Ann. §§ 2001.001–2001.903.

4. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the 7th day of October 2022.

PUBLIC UTILITY COMMISSION OF TEXAS

A handwritten signature in black ink, appearing to read 'J. Huhn', is written over a horizontal line.

JEFFREY J. HUHN
ADMINISTRATIVE LAW JUDGE