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Received - 2023-02-24 02:30:38 PM
Control Number - 53933
ItemNumber - 25

DOCKET NO. 53933

MCILRATH PROPERTIES LLC'S	§	PUBLIC UTILITY COMMISSION
APPEAL OF THE COST OF	§	
OBTAINING SERVICE FROM MILLER	§	OF TEXAS
GROVE WATER SUPPLY	§	
CORPORATION	§	

COMMISSION STAFF'S PROPOSED LIST OF ISSUES

On August 4, 2022, McIlrath Properties LLC (McIlrath) filed a petition appealing the decision of Miller Grove Water Supply Corporation (Miller Grove) regarding the cost of obtaining service under Texas Water Code (TWC) § 13.043(g) and 16 Texas Administrative Code (TAC) § 24.101(g).

On February 9, 2023, the Office of Policy and Docket Management (OPDM) filed an order requiring the Complainant, Miller Grove, and the Staff (Staff) of the Public Utility Commission of Texas (Commission), to file a list of issues by February 24, 2023. Therefore, this pleading is timely filed.

I. PROPOSED LIST OF ISSUES

Staff has identified the following issues to be addressed in this docket:

- 1) Does the Commission have jurisdiction over this dispute under Texas Water Code (TWC) § 13.043(g) and 16 TAC § 24.101(g)?
- 2) What is the total amount that McIlrath would have to pay to obtain water service to their service area? What services, labor, equipment, facilities, pipe(s), or other materials would cover that payment?
- 3) Would a 3-inch water line work as a cost saving and feasible alternative to the proposed 4-inch waterline suggested by Miller Grove?
- 4) Is the amount Miller Grove proposes to charge the McIlrath's for water service just and reasonable? TWC § 13.043(j) and 16 TAC § 24.101(i).
 - a. If so, what fee should the Commission establish to be paid by the McIlrath's to obtain water service?
- 5) Is the amount Miller Grove proposes to charge the McIlrath's for water service unreasonably preferential, prejudicial, or discriminatory? TWC § 13.043(j) and 16 TAC § 24.101(i).

- 6) Has the price quote for the cost of obtaining service that was provided to McIlrath by Miller Grove decreased due to the decline in gas prices?
- 7) Is the amount Miller Grove proposes to charge the McIlrath's to provide water service consistent with the company's tariff? TWC § 13.043(g) and 16 TAC § 24.101(g)(2).
 - a. For Miller Grove to provide water service to the McIlrath's service area, does it require standard or non-standard service? Does it require an upgrade to the existing service lines?
- 8) Will the amount Miller Grove proposes to charge the McIlrath's for water service preserve the financial integrity of Miller Grove? TWC § 13.043(j) and 16 TAC § 24.101(i).
- 9) Do the requirements of 16 TAC § 24.161(e) apply to this proceeding?
 - a. If so, has Miller Grove complied with the requirements of 16 TAC § 24.161(e)(1)?
- 10) If 16 TAC § 24.161(c) applies to Miller Grove, has Miller Grove failed to provide the McIlrath's with construction costs options such as the possibility of sharing construction costs between Miller Grove and McIlrath?
- 11) What is the current water demand and meter size needed to provide the McIlrath's water service?
- 12) Has Miller Grove submitted a U.S. Department of Agriculture (USDA) application to receive federal funding to upgrade its public water system for expansion of its existing water line(s)?
 - a. If not, is Miller Grove able and willing to apply for federal funding to help alleviate these costs?

II. LIST OF ISSUES NOT TO BE ADDRESSED

At this time, Staff has not identified any issues not to be addressed.

III. CONCLUSION

Staff respectfully requests the issuance of a preliminary order including Staff's proposed issues to be addressed.

Dated: February 24, 2023

Respectfully submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

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CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on February 24, 2023, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Forrest Smith
Forrest Smith