



## **Filing Receipt**

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**DOCKET NO. 54146**

<b>APPLICATION OF RIO CONCHO</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>AVIATION, INC FOR A PASS-</b>	<b>§</b>	
<b>THROUGH RATE CHANGE</b>	<b>§</b>	<b>OF TEXAS</b>

**JOINT MOTION TO ADMIT EVIDENCE AND PROPOSED NOTICE OF APPROVAL**

On September 23, 2022, Rio Concho Aviation, Inc (Rio Concho) filed an application to implement a pass-through rate change under 16 Texas Administrative Code (TAC) § 24.25(b)(2) for an increase in fees billed by Northern Trinity Groundwater Conservation District (NTGCD). NTGCD raised the fee charged to Rio Concho from \$.0125 per thousand gallons to \$.155 per thousand gallons, effective January 1, 2022.

On May 23, 2023, the administrative law judge (ALJ) filed an order finding the application administratively complete and notice sufficient and requiring Rio Concho and Commission Staff (collectively, the parties) to file joint proposed findings of fact and conclusions of law, by June 1, 2023, then extended by Order No. 11, dated May 31, 2023, to a deadline of June 29, 2023. Therefore, this pleading is timely filed.

**I. MOTION TO ADMIT EVIDENCE**

Rio Concho and Commission Staff move to admit the following items into the record of this proceeding:

- a) Rio Concho's application for a pass-through rate change filed on September 23, 2022 (Interchange Item No. 1);
- b) Rio Concho's final corrections for pass-through water utility tariff filing on December 20, 2022 (Interchange Item No. 5);
- c) Commission Staff's recommendation on administrative completeness filed January 11, 2023 (Interchange Item No. 8);
- d) Commission Staff's clarification on sufficiency of notice filed January 26, 2023 (Interchange Item No. 11);
- e) Order finding notice sufficient filed January 27, 2023 (Interchange Item No. 12);
- f) Commission Staff's Recommendation on the application and final recommendation filed May 3, 2023 (Interchange Item No. 22); and
- g) Order finding Rio Concho's application administratively complete filed on May 23, 2023 (Interchange Item No. 23).

## **II. PROPOSED NOTICE OF APPROVAL**

Rio Concho and Commission Staff respectfully request that the attached Proposed Notice of Approval be adopted.

## **III. CONCLUSION**

The parties respectfully request that an order be issued granting the above Motion to Admit Evidence and adopting the attached Proposed Notice of Approval.

Dated: June 28, 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 June 28, 2023, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Rachel Seshan  
Rachel Seshan

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<b>APPLICATION OF RIO CONCHO</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>AVIATION, INC FOR A PASS</b>	<b>§</b>	
<b>THROUGH RATE CHANGE</b>	<b>§</b>	<b>OF TEXAS</b>

**PROPOSED NOTICE OF APPROVAL**

This Notice of Approval addresses the application of Rio Concho Aviation, Inc (Rio Concho) for approval of a pass-through rate change related to water production fees charged to the utility by Northern Trinity Groundwater Conservation District (NTGCD). Rio Concho requests approval to increase the NTGCD pass-through fee from \$0.125 to \$0.17 per thousand gallons for customers. The Commission approves the requested increase to the NTGCD pass through fees to the extent provided in this Notice of Approval.

**I. Findings of Fact**

The Commission makes the following findings of fact.

**Applicant**

1. Rio Concho is an investor-owned utility registered with the Texas secretary of state under file number 0131931000.
2. Rio Concho provides water service under certificate of convenience number 12835 in Tarrant County.
3. Rio Concho owns and operates a public water system registered with the Texas Commission on Environmental Quality (TCEQ) as Rio Concho Aviation, identification number 2200330.

**Application**

1. On September 23, 2022, Rio Concho filed its application to implement a water pass-through clause in its currently approved tariff to recover an increase in the fees imposed on the utility by NTGCD, effective January 1, 2022.
2. On December 20, 2022, Rio Concho filed corrections to its application.
3. On August 16, 2021, NTGCD notified Rio Concho that it would increase the water

production fee it charges to Rio Concho from \$0.125 per thousand gallons to \$0.155 per thousand gallons, effective January 1, 2022. In its application, Rio Concho seeks to recover the cost of this increase from customers.

4. The application contained the affected CCN number, the affected subdivision, public water system name and corresponding numbers 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.
5. On May 23, 2023, the administrative law judge (ALJ) found the application administratively complete.

**Notice**

6. Rio Concho's amended application included a copy of revised notice mailed to affected customers on January 19, 2023, detailing the requested NTGCD pass-through fee increases.
7. 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 Rio Concho for water use fee, 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."
8. In Order No. 5 dated January 27, 2023, the ALJ found the notice sufficient.

**Jurisdiction —Texas Water Code (TWC) §§ 13.002(19) and 13.041**

9. Rio Concho is a retail public utility that purchases water.
10. Rio Concho is under the original jurisdiction of the Commission.

**Eligibility for Pass-Through Rate Change — 16 Texas Administrative Code (TAC) § 24.25**

11. The proposed charges will pass through only the actual costs charged to Rio Concho by

NTGCD and does not duplicate costs otherwise charged to customers under the current tariff.

**Tariff**

12. Rio Concho's current tariff prescribes a formula by which changes in pass-through fees are to be calculated.
13. On January May 3, 2023, Commission Staff filed a proposed tariff as an attachment to its recommendation. The proposed tariff reflects the approval of the proposed pass-through production charge increases.

**Evidence**

14. On June 28, 2023, Rio Concho and Commission Staff filed an agreed motion to admit evidence.
15. On \_\_\_\_\_, 2023, the ALJ admitted the following evidence into the record of this proceeding: Rio Concho's application for a pass-through rate change filed on September 23, 2022 (Interchange Item No. 1); Rio Concho's final corrections for pass-through water utility tariff filing on December 20, 2022 (Interchange Item No. 5); Commission Staff's recommendation on administrative completeness filed January 11, 2023 (Interchange Item No. 8); Commission Staff's clarification on sufficiency of notice filed January 26, 2023 (Interchange Item No. 11); Order finding notice sufficient filed January 27, 2023 (Interchange Item No. 12); Commission Staff's Recommendation on the application and final recommendation filed May 3, 2023 (Interchange Item No. 22); and Order finding Rio Concho's application administratively complete filed on May 23, 2023 (Interchange Item No. 23).

**Informal Disposition**

1. More than 15 days have passed since the completion of notice provided in this docket.
2. No person filed a protest or motion to intervene.
3. Rio Concho and Commission Staff are the only parties to this proceeding.
4. No party requested a hearing, and no hearing is needed.
5. Commission Staff recommended approval of the application.

6. This decision is not adverse to any party.

## **II. Conclusions of Law**

The Commission makes the following conclusions of law.

1. Rio Concho is a retail public utility as defined in TWC § 13.002(19) and 16 TAC § 24.3(31).
2. The Commission has authority over the application under TWC § 13.041.
3. The Commission may approve this minor change to Rio Concho's water tariff under 16 TAC § 24.25.
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).
6. The Commission processed the application as required by the TWC, the Administrative Procedure Act,<sup>1</sup> 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 an increase in the NTGCD pass-through fee from \$0.125 per 1,000 gallons to \$0.17 per 1,000 gallons for customers, effective February 25, 2023.
2. The Commission approves the proposed tariff attached to Commission Staff's recommendation filed on May 3, 2023.
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. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

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<sup>1</sup> Tex. Gov't Code §§ 2001.001-.903.



Signed at Austin, Texas the \_\_\_\_ day of \_\_\_\_\_ 2023

**PUBLIC UTILITY COMMISSION OF TEXAS**

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**JEFFREY J. HUHN**  
**ADMINISTRATIVE LAW JUDGE**