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DOCKET NO. 54146

APPLICATION OF RIO CONCHO \$ PUBLIC UTILITY COMMISSION AVIATION, INC FOR A PASS \$ THROUGH RATE CHANGE \$ OF TEXAS

STAFF'S RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS

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). The increase by NTGCD raises the fee charged to Rio Concho from \$0.12 to \$0.155 per thousand gallons effective January 1, 2022.

On September 26, 2022, the administrative law judge (ALJ) filed Order No. 1, directing the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a recommendation regarding the administrative completeness of the application and propose a procedural schedule by October 24, 2022. Therefore, this pleading is timely filed.

I. ADMINISTRATIVE COMPLETENESS

Staff has reviewed the supplemental application and as detailed in the attached memorandum from Vonetta Jackson, Rate Regulation Division, Staff recommends that the application is administratively incomplete from a financial perspective. Staff further recommends that the Applicants be ordered to cure the deficiencies identified by November 22, 2022 and that Staff be given a deadline of December 22, 2022 to file a supplemental recommendation on the administrative completeness of the application.

II. PROCEDURAL SCHEDULE

In accordance with Staff's deficiency recommendation, Staff does not propose a procedural schedule for further processing of the docket at this time. Staff intends to propose a procedural schedule alongside a subsequent recommendation that the application be found administratively complete.

Ш. **CONCLUSION**

For the reasons detailed above, Staff recommends that the application be found administratively incomplete and that the Applicants be ordered to file supplemental information to cure the deficiencies in the application by November 22, 2022. Staff respectfully requests the entry of an order consistent with these recommendations.

Dated: October 24, 2022

Respectfully submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Keith Rogas Division Director

Marisa Lopez Wagley Managing Attorney

/s/ Kevin R. Bartz

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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 October 24, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Kevin R. Bartz
Kevin R. Bartz

Public Utility Commission of Texas

Memorandum

TO: Kevin Bartz, Attorney, Legal Division

FROM: Vonetta Jackson, Regulatory Accountant

Rate Regulation Division

DATE: October 13, 2022

RE: Docket No. 54146 – Application of Rio Concho Aviation, Inc for a Pass Through

Rate Change

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). The increase by NTGCD raises the fee charged to Rio Concho from \$0.12 to \$0.155 per thousand gallons effective January 1, 2022.

Based upon my review of the information in the application, I determined that the application is deficient. To be sufficient, I recommend that Rio Concho provide the following:

- 1. An update to the application to include:
 - a. Present calculations of customer billings,
 - b. New calculations of customer billings,
 - c. Corrected page 2 of the Draft Notice of Rate Change that reflects a calculation of the "R" factor for the pass-through rate only, and
 - d. Language verbatim as required by 16 TAC §24.25(b)(2)(F), which states:

"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."

I recommend Rio Concho provide a revised notice to include the items above for approval by staff prior to sending it to the affected customers to avoid the extra cost associated with another potential re-notice.