



Filing Receipt

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DOCKET NO. 54320

APPLICATION OF KATY-HOCKLEY	§	PUBLIC UTILITY COMMISSION
CORP FOR A CLASS D RATE	§	
ADJUSTMENT	§	OF TEXAS

NOTICE OF APPROVAL

This Notice of Approval addresses the application of Katy-Hockley Corp., 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 Katy-Hockley's minimum monthly water and sewer charges and water and sewer gallonage rates for customers by 5%, effective February 6, 2023.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

1. Katy-Hockley is a Texas corporation registered with the Texas secretary of state under filing number 149311300.
2. Katy-Hockley serves 202 active water connections and 201 active sewer connections.
3. Katy-Hockley owns and operates for compensation in Texas equipment or facilities for the transmission, storage, distribution, sale, or provision of potable water and sewage disposal service to the public in Harris County under water certificate of convenience and necessity (CCN) number 12985 and sewer CCN number 20900.
4. Katy-Hockley operates a public water system registered with the Texas Commission on Environmental Quality (TCEQ) as the Hunter Place system under identification number 1013191.
5. Katy-Hockley operates a sewer system that is permitted with the TCEQ under Texas Pollutant Discharge Elimination System permit number WQ14109001.

Application

6. On November 6, 2022, Katy-Hockley filed an application for a class D annual rate adjustment of 5%.

7. In Order No. 2 filed on December 8, 2022, the administrative law judge (ALJ) found the application administratively complete and accepted for filing.
8. This application is Katy-Hockley's third class D rate adjustment between base rate proceedings.

Rate Adjustments

9. Katy-Hockley requests a 5% annual rate adjustment to its minimum monthly water and sewer charges and water and sewer gallonage rates.
10. Katy-Hockley'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"	\$28.84	\$30.28
3/4"	\$43.26	\$45.42
1"	\$72.10	\$75.71
1 1/2"	\$144.20	\$151.41
2"	\$230.71	\$242.25
3"	\$432.59	\$454.22
4"	\$720.99	\$757.04
6"	\$1,441.96	\$1,514.06

11. Katy-Hockley's current and proposed water gallonage rate is:

Current Gallonage Rate (per 1,000 gallons)	Proposed Gallonage Rate (per 1,000 gallons)
\$3.21	\$3.37

12. Katy-Hockley'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"	\$53.41	\$56.08
3/4"	\$80.11	\$84.12
1"	\$133.52	\$140.20
1 1/2"	\$267.03	\$280.38
2"	\$427.25	\$448.61
3"	\$801.09	\$841.14
4"	\$1,335.15	\$1,401.91
6"	\$2,670.30	\$2,803.82

13. Katy-Hockley's current and proposed sewer gallonage rate is:

Current Gallonage Rate (per 1,000 gallons)	Proposed Gallonage Rate (per 1,000 gallons)
\$3.74	\$3.93

Tariff

14. On December 7, 2022, Commission Staff filed the proposed water and sewer tariffs as attachments to its recommendation on administrative completeness and final disposition.

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. Katy-Hockley 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), Katy-Hockley may adjust its rates not more than once each year and not more than four times between rate proceedings under TWC § 13.1871.
4. A 5% increase in Katy-Hockley's minimum monthly water and sewer charges and gallonage rate complies with TWC § 13.1872(e)(2).
5. The Commission processed the application in accordance with the requirements of the TWC, the Administrative Procedure Act,¹ and Commission rules.
6. Katy-Hockley demonstrated that it met the requirements of TWC § 13.1872 for approval of the rate adjustments.
7. Under TWC § 13.1872(c)(1), Katy-Hockley must provide notice 30 days before the effective date of the approved change.
8. Under 16 TAC § 24.49(e), Katy-Hockley 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 Katy-Hockley's minimum monthly water and sewer charges and water and sewer gallonage rates by 5%, effective February 6, 2023.

¹ Tex. Gov't Code §§ 2001.001–.903.

2. Effective February 6, 2023, Katy-Hockley's minimum monthly water charges and gallonage rate are:

Meter Size (includes 0 gallons)	Minimum Monthly Charge
5/8"	\$30.28
3/4"	\$45.42
1"	\$75.71
1 1/2"	\$151.41
2"	\$242.25
3"	\$454.22
4"	\$757.04
6"	\$1,514.06

Gallonage Rate (per 1,000 gallons)
\$3.37

3. Effective February 6, 2023, Katy-Hockley's minimum monthly sewer charges and gallonage rate are:

Meter Size (includes 0 gallons)	Minimum Monthly Charge
5/8"	\$56.08
3/4"	\$84.12
1"	\$140.20
1 1/2"	\$280.38
2"	\$448.61
3"	\$841.14
4"	\$1,401.91
6"	\$2,803.82

Gallonage Rate (per 1,000 gallons)
\$3.93

4. The Commission approves the water and sewer tariffs attached to Commission Staff's December 7, 2022 recommendation on administrative completeness and final disposition.
5. Within ten days of the date of this Notice of Approval, Commission Staff must provide the Commission with a clean copy of the tariff to be stamped *Approved* and retained by Central Records.

6. Katy-Hockley must, by January 6, 2023, 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 February 6, 2023, using the proposed notice included with its application with the effective date.
7. By January 19, 2023, Katy-Hockley must file proof that it has provided notice as specified above.
8. 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 28th day of December 2022.

PUBLIC UTILITY COMMISSION OF TEXAS

A handwritten signature in black ink, appearing to read "Christina Denmark", written over a horizontal line.

**CHRISTINA DENMARK
ADMINISTRATIVE LAW JUDGE**