



## **Filing Receipt**

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**DOCKET NO. 54683**

**APPLICATION OF ENVIRO § PUBLIC UTILITY COMMISSION  
MANAGEMENT FOR AUTHORITY §  
TO CHANGE RATES § OF TEXAS**

**ENVIRO-MANAGEMENT’S LIST OF ISSUES**

**I. INTRODUCTION**

On February 24, 2023, Enviro-Management (Enviro-Management or Applicant) filed with the Public Utility Commission of Texas (Commission) an application for authority to change water rates under Texas Water Code §§ 13.1871 and 13.18715. Enviro-Management is a Class D water utility with 137 connections and holds water Certificate of Convenience and Necessity (CNN) No. 12625.

On July 20, 2023, the Commission filed an Order Requesting List of Issues, requiring parties to file a list of issues to be addressed in this docket by August 10, 2023. Therefore, this pleading is timely filed.

**II. PROPOSED LIST OF ISSUES**

**Notice**

1. Did Enviro-Management provide proper notice of the proposed rate change? TWC § 13.1871(b), (c) and 13.18715, 16 TAC § 24.27?

**Revenue Requirement**

2. What revenue requirement will give Enviro-Management a reasonable opportunity to earn a reasonable return on its invested capital used and useful in providing service to the public in excess of its reasonable and necessary operating expenses while preserving the utility’s financial integrity as required by TWC § 13.183(a)(1) and (2) and 16 TAC § 24.43(a)?

3. What is the appropriate methodology to determine just and reasonable rates in this proceeding?

**Cost of Service**

4. What is the utility's cost of service for providing water service based on its test year?
5. What adjustments, if any, should be made to the utility's proposed test-year data in accordance with TWC § 13.185(d)(1) and 16 TAC § 24.41(b) and (c)(5)?

**Allowable Expenses**

6. What are the reasonable and necessary allowable expenses for water service under 16 TAC § 24.41(b)?
7. What is the utility's reasonable and necessary operations and maintenance expense under 16 TAC § 24.41(b)(1)(A)?
8. What is the utility's reasonable and necessary administrative and general expenses?
9. What is the utility's reasonable and necessary depreciation expense?
10. What is the reasonable and necessary expense for assessments, and taxes other than federal income taxes?

**Rate Base and Return**

11. What is the appropriate rate of return, including return on equity and cost of debt for the utility, consistent with 16 TAC § 24.41(c)(1)?
12. Does the utility have any debt?
13. What is the reasonable and necessary components of the utility's invested capital in accordance with 16 TAC § 24.41(c)(2)?

**Rates**

14. What are the just and reasonable rates for the utility that are sufficient, equitable, and consistent in application to each customer class and that are not unreasonably preferential, prejudicial, or discriminatory under TWC § 13.182 and 16 TAC § 24.35(d)? Do these rates recover the utility's revenue requirement?

**Tariff**

15. Are the utility's proposed revisions to its tariff and rate schedule appropriate?

**Interim Rates**

16. Has the utility met the requirements for a request for interim relief in the form of interim rates? If so, what are the appropriate interim rates under 16 TAC §24.37?
17. If a refund or surcharge results from this proceeding, how and over what period of time should the refund or surcharge be made consistent with TWC § 13.1871?

**III. ISSUES NOT TO BE ADDRESSED**

Enviro-Management has not identified any issues not to be addressed in this proceeding.

**IV. THRESHOLD ISSUES**

Enviro-Management has not identified any threshold issues that should be addressed.

**CONCLUSION AND PRAYER**

Enviro-Management respectfully requests that the identified issues be considered by the Commission in this proceeding and grant Enviro-Management any relief to which it shows itself justly entitled.

