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October 23, 2023

VIA E-FILING

The Honorable Katie Moore Marx
Administrative Law Judge
Public Utility Commission
1701 N. Congress Avenue
Austin, TX 78711-3326

Re: Docket No. 55428; *Application of Concho Rural Water Corporation for January 2023–June 2023 True-Up Report and Pass-Through Gallonage Charge for Group 2 Customers*

Dear Judge Marx:

On October 16, 2023, Order No. 3 was issued in this proceeding. Order No. 3 established a deadline for Concho Rural Water Corporation (Concho Rural) to file a copy of the complete notice provided to Concho Rural's customers including the calculation of the pass-through gallonage charge. Concho Rural sent notice of the proposed pass-through rate change along with the calculations for the true-up rate adjustment for Group 2 customers on September 1, 2023, as noted on the first page of the application filed on September 1, 2023. The notice and calculations sent to Concho Rural's customers are attached hereto.

Very truly yours,

/s/ William A. Faulk, III

William "Cody" Faulk, III

Attorney for Concho Rural Water Corporation



Concho Rural Water Corporation

Office: (325)658-2961

8174 HWY 87 North, San Angelo, TX 76901

Fax: (325)658-2962

September 11, 2023

To Our Valued Customers:

Concho Rural Water Corporation (Concho Rural) hereby notifies you, pursuant to 16 Tex. Administrative Code (TAC) § 24.25(b)(2), that it is implementing a Pass-Through Gallonage Charge (PTGC) of \$3.34 per 1,000 gallons effective September 11, 2023 for water utility bills rendered on or after that date (a \$0.23 per 1,000 gallons decrease from the present PTGC). This tariff change is being implemented in accordance with Concho Rural's approved PTGC Adjustment provision in its Water Utility Tariff, entered in the final order of Public Utility Commission of Texas (PUC) Docket No. 49892, dated November 18, 2021.

The tariff revision is to recognize changes in treated purchased water costs (pass-through costs). The pass-through costs charged to customers using Concho Rural's PTGC will not exceed the changed pass-through costs. Calculations are set forth on the reverse side of this letter showing the basis for the present PTGC and the new PTGC, including the change in water pass-through costs.

Concho Rural's PTGC adjustments are considered informal proceedings designed to reduce the frequency of full Concho Rural rate cases. However, PUC Staff will review Concho Rural's calculations and direct any appropriate PTGC revisions. Otherwise, \$3.34 per 1,000 gallons will remain the water PTGC until further notice beginning September 11, 2023. While the PTGC Adjustment is effective on September 11, 2023, Concho Rural will not begin charging the revised PTGC until this application is approved.

This tariff change is being implemented in accordance with the minor tariff changes allowed by 16 TAC § 24.25. The cost to you as a result of this change will not exceed the costs charged to Concho Rural.

Please call Concho Rural at (325) 658-2961 if you have any questions about this PTGC change.

Sincerely,

/s/ Ben F. Wiese

Ben F. Wiese
President
Concho Rural Water Corporation

GROUP 2 PURCHASE WATER PASS-THROUGH RATE CALCULATIONS PER EXISTING TARIFF

EXISTING GROUP 2 PASS-THROUGH RATE PER TARIFF

1	Raw Water and Treatment Rate with Trueup Adjustment Per Last Notice	\$3.57
2	Current Noticed Trueup Adjustment Per Calculation Below	<u>(\$0.23)</u>
3	Approved Pass-Through Rate (Sum of Lines 1-3)	<u>\$3.34</u>

GROUP 2 TRUE UP RATE ADJUSTMENT FOR 2023

1	Costs of Purchase Raw Water & Treatment Costs Billed January 2023-June 2023	APP	\$94,823
2	LESS: Purchase Water Costs Collected From Customers January 2023-June 2023	PWC	<u>(\$102,591)</u>
3	Total True-Up Amount (Line 1 - Line 2)	UOR	<u>(\$7,769)</u>
4	Apply Take or Pay Credit	TPC	<u>(\$19)</u>
5	Amount Before FV Applied or (UOR + TPC)		<u>(\$7,787)</u>
6	Forecast of Gallons to be Billed	FV	<u>34,164</u>
7	True Up Adjustment to be Added to Existing Pass-Through Rate (Line 3)	TU	<u>(\$0.23)</u>
8	Existing Pass Through Rate		<u>\$3.57</u>
9	Proposed As Adjusted Group 2 Pass -Through Rate (Line 5 + Line 6)		<u>\$3.34</u>