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DOCKET NO. 55783

STACIE SMITH'S APPEAL OF THE	§	PUBLIC UTILITY COMMISSION
COST OF OBTAINING SERVICE	§	
FROM LIBERTY CITY WATER	§	OF TEXAS
SUPPLY CORPORATION	§	

COMMISSION STAFF'S FINAL RECOMMENDATION

On October 31, 2023, Stacie Smith filed an appeal of the cost of obtaining service from Liberty City Water Supply Corporation under Texas Water Code (TWC) § 13.043(g) and 16 Texas Administrative Code (TAC) § 24.101(g). Ms. Smith stated that the total estimated cost to obtain service from the WSC is \$4,003.00.

On May 30, 2024, the administrative law judge filed Order No. 6, directing the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a final recommendation or to request a hearing by June 28, 2024.

I. FINAL RECOMMENDATION

Staff has reviewed Liberty City WSC's tariff and its service agreement with Ms. Smith and, as detailed in the attached memorandum from Joseph Cooper of the Infrastructure Division, recommends that the amount Ms. Smith paid to obtain service is consistent with Liberty City WSC's tariff and is reasonably related to the cost of installing on-site and off-site facilities to provide service to Ms. Smith. Therefore, pursuant to TWC § 13.043(g) and 16 TAC § 24.101(g)(2), Staff recommends that the Commission affirm the decision of Liberty City WSC.

II. CONCLUSION

Staff recommends that the Commission affirm the decision of Liberty City WSC. Staff respectfully requests the entry of an order consistent with this recommendation.

Dated: June 28, 2024

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Marisa Lopez Wagley
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/s/ Kelsey Daugherty
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CERTIFICATE OF SERVICE

I certify that unless otherwise ordered by the presiding officer, notice of the filing of this document will be provided to all parties of record via electronic mail on June 28, 2024, in accordance with the Second Order Suspending Rules, filed in Project No. 50664.

/s/ Kelsey Daugherty
Kelsey Daugherty

Memorandum

To: Kelsey Daugherty, Attorney
Legal Division

From: Joseph Cooper, Engineering Specialist
Infrastructure Division

Date: June 28, 2024

RE: **Docket No. 55783**, Stacie Smith's Appeal of the Cost of Obtaining Service from Liberty City Water Supply Corporation

On October 31, 2023, Stacie Smith (Ms. Smith) filed with the Public Utility Commission of Texas an appeal of the cost of obtaining service from Liberty City Water Supply Corporation (WSC) under Texas Water Code (TWC) § 13.043(g) and 16 Texas Administrative Code § 24.101(g).

Ms. Smith is appealing Liberty City WSC's decision to charge a total of \$4,003 to obtain water service which includes:

- Customer Service Inspection Fee \$35;
- Equity Buy-in Fee of \$2,708;
- Installation Fee (a/k/a Tap Fee) of \$1,020;
- Membership Fee of \$200; and
- Transfer Fee/Activation Fee of \$40.

Staff evaluated whether the amount to obtain service from Liberty City WSC was consistent with its tariff and was reasonably related to the cost of installing on-site and off-site facilities to provide service. Based upon Staff's review of the information provided, Staff has confirmed that the \$35 customer service inspection fee, \$2,708 equity buy-in fee, \$1,020 installation fee (a/k/a tap fee), \$200 membership fee and \$40 transfer fee/activation fee, totaling \$4,003 in charges, are consistent with Liberty City WSC's tariff.¹

In addition, on February 20, 2024, Liberty City WSC responded to Staff's First Request for Information (RFI) and admitted that Liberty City WSC charged Installation Fees and Equity Buy-In Fees to all of the 105 applicants for new residential service from October 28, 2019 to February 7, 2024.²

Staff recommends that this amount is reasonable. Therefore, Staff recommends affirming the decision of Liberty City WSC regarding the cost of providing service to Ms. Smith.

¹ Liberty City Water Supply Corporation's (WSC) Response to Stacie Smith's Petition at Attachment F – Sections G.5, G.9, G.13, G.16, and G.31 of Liberty City WSC's tariff (Jan. 11, 2024).

² Liberty City WSC's Response to Staff's First Request For Information No. Staff 1-2 at 4 (Feb. 20, 2024).