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TARIFF CONTROL NO. 56864

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| APPLICATION OF GIDEON WATER | § | PUBLIC UTILITY COMMISSION |
| LLC FOR TARIFF REVISIONS | § | |
| | § | OF TEXAS |

COMMISSION STAFF’S RECOMMENDATION ON SUFFICIENCY OF THE APPLICATION, NOTICE, AND PROPOSED PROCEDURAL SCHEDULE

On July 24, 2024, Gideon Water LLC (Gideon Water) filed an application for a tariff revision under 16 Texas Administrative Code (TAC) § 24.25(b)(3). Gideon Water seeks to revise its tariff to reflect that zero gallons are included in its monthly minimum charge.

On July 25, 2024, the administrative law judge filed Order No. 1, directing the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file comments and recommendations regarding the sufficiency of the application, the appropriate form of notice, if any, and a proposed procedural schedule for processing this docket by August 26, 2024. Therefore, this pleading is timely filed.

I. SUFFICIENCY OF THE APPLICATION

Staff has reviewed the application and recommends that it is sufficient for further review. Specifically, under 16 TAC § 24.25(b)(3), a “utility must file its revisions with the [C]ommission...[and] each revision must be accompanied by a copy of the original tariff and a red-lined copy of the proposed tariff revisions clearly showing the proposed changes.” Because Gideon Water filed its revision with the Commission and included the original tariff and a red-lined copy of the proposed revision clearly showing the proposed change, Gideon Water has complied with 16 TAC § 24.25(b)(3). Further, because 16 TAC § 24.25(b)(3) also states that the Commission *may* require notice if the revision constitutes an increase in existing rates of a particular customer class or classes, Staff recommends that a tariff revision does not need to be proposed in a rate change proceeding. Specifically, in a rate change proceeding, a utility is required by statute to provide notice,¹ such that the Commission does not have discretion in whether to require notice. Accordingly, the Commission may approve Gideon Water’s application under 16 TAC § 24.25(b)(3). Staff, however, does not comment on the merits of the application at this time.

¹ See Texas Water Code §§ 13.187(a-1) and (b), 13.1871(b) and (c), 13.18715(b), and 13.18712(c)(2).

II. COMMENTS ON NOTICE

Staff recommends that Gideon Water be ordered to provide notice of the tariff revision to its customers, if any. Specifically, under 16 TAC § 24.25(b)(3)(A), “[if] a proposed tariff revision constitutes an increase in existing rates of a particular customer class or classes, then the commission may require that notice be given.” Because the revision potentially can be considered as an increase to Gideon Water’s rates regarding the implementation of the monthly minimum charge, the Commission should require notice of this revision. However, because the application does not address notice, Staff recommends that Gideon Water be ordered to propose the form of notice for its application, after which Staff will file comments on the sufficiency of such proposed notice. Accordingly, Staff defers commenting on the appropriate form of notice at this time. Further, to the extent that Gideon Water believes the revision will not increase Gideon Water’s rates, Staff recommends that Gideon Water be required to provide a statement describing the effect of the revision in Gideon Water’s existing rates.

III. PROPOSED PROCEDURAL SCHEDULE

In accordance with Staff’s recommendations, Staff proposes the following procedural schedule:

| Event | Date |
|--|--------------------|
| Deadline for Gideon Water to file proposed notice, if necessary, or statement on the effect of the revision | September 9, 2024 |
| Deadline for Staff to file comments on sufficiency of proposed notice, if necessary, or Gideon Water’s statement on the effect of the revision | September 19, 2024 |

IV. CONCLUSION

Staff recommends that Gideon Water’s application be found sufficient for further review and that the above-proposed procedural schedule be adopted. Staff respectfully requests that an order be issued consistent with the foregoing recommendations.

Dated: August 26, 2024

Respectfully submitted,
**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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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 August 26, 2024, in accordance with the Second Order Suspending Rules, issues in Project No. 50664.

/s/ Scott Miles
Scott Miles