

Class "C" Water Utility Rate Adjustment Instructions

DEFINITION OF A CLASS C UTILITY - A public utility that provides retail water or sewer utility service to fewer than 500 taps or active connections **is considered a Class C Utility**. If a public utility provides both water and sewer utility service, the number of active water connections determines how the utility is classified.

FILING TIMELINES: Applications are submitted based on the last two digits of the applicant's certificate of convenience of necessity (CCN) number. Refer to the table below to determine the submission deadline for your utility. **Regardless of the number of CCNs held by a utility, the utility may adjust its rates using this form not more than once per calendar year and not more than four times between comprehensive rate proceedings. For a Class C utility holding multiple CCNs, the utility may file an application in any quarter for which any of its CCN numbers is eligible.**

Please note: If this is your **fifth consecutive request** for a rate adjustment based on the price index, or if you need a rate increase different from that allowed by the use of the price index, then you will need to file the more detailed application package used by Class B utilities.

| Last two (2) digits of CCN Number: | Quarter application is due: |
|------------------------------------|-----------------------------|
| 00-27 | 1: January-March |
| 28-54 | 2: April-June |
| 55-81 | 3: July-September |
| 82-99 | 4: October-December |

| REQUIRED DOCUMENTS FOR FILING: |
|--|
| 1 Completed Application |
| 2 Proposed Notice |
| 3 Previously Approved Tariff (rate pages only) |

INSTRUCTIONS:

- 1 Use the tabs at the bottom of the worksheet to navigate the application.

| | | | | | |
|-----------------------------|----------------|-----------------------------|--------------------------------|-----------|-----------------------------|
| General Instructions | Application-p1 | Appl-Calcs-Base Rate Det-p2 | Appl-Calcs-Blk Gal Rate Det-p3 | Notice-p1 | Notice-Base Rate Dets-pp2-3 |
|-----------------------------|----------------|-----------------------------|--------------------------------|-----------|-----------------------------|

- 2 Complete the application by entering information into all unlocked cells on the application tabs; calculations tabs, and the remaining unlocked cells on the notice tabs. Data entry will carry-through to the rest of the application. **Please note incomplete applications will be deemed insufficient for filing.**
- 3 The latest price index will be posted on the PUC's website at:
<http://www.puc.texas.gov/industry/water/reports/Default.aspx>.
- 4 File your application, proposed notice, and previously approved tariff (rate pages only) with the Public Utility Commission of Texas (PUC).
Do not send notice to your customers or raise rates until you receive approval of the proposed notice from the PUC.
- 5 The PUC will review the proposed rate and tariff. Once the rate adjustment is approved, official notice to customers must be provided 30 days prior to your effective date.
- 6 Your effective date will be the date that the water or sewer service price changes, so the first billing reflecting the price change should be approximately 60 days after you provide notice.

The effective date should also be the first date of a billing period, which should correspond to the day of the month when meters are typically read, and the new rates may not apply to service received before the effective date of the new rates.

Class "C" Water Utility Rate Adjustment Instructions

- 7 Rate applications should be filed per 16 Texas Administrative Code § 22.71(b) and (c). Detailed filing instructions are located at:

<http://www.puc.texas.gov/industry/filings/FilingProceed.aspx>.

- 8 The proposed notice supplied in the rate application contains multiple meter sizes. Please only include rates for meter sizes actually included on the utility's approved tariff. All additional meter sizes listed on the notice should be eliminated from the notice by hiding lines where the non-applicable meter rates are listed. Using the Microsoft Excel spreadsheet select the rows to be removed from the notice. Right click while the rows are still selected and select "HIDE."

- 9 Update the proposed notice and calculation pagination to reflect the correct number of pages applicable to the utility's proposed new rates. Currently, the notice form allows for renumbering of the remaining pages of the notice. Pagination cells are unlocked.

NOTE: If block gallonage or gallonage rates do not apply to your utility, hide the non-applicable lines within the calculation tab.

- 10 For utilities with more than five gallonage blocks, if additional lines need to be inserted on page three, COPY the row above or below the row to be inserted. Right click and select insert. Update the corresponding notice gallonage blocks by repeating the same steps: COPY, right click, and insert a row for the water and sewer notice on pages two and three. Do not copy unrelated rows or insert blank rows since the formulas and links are locked and cannot be added or edited.

NOTE: If additional rows are inserted into the application, additional rows will need to be inserted in the notice.

- 11 Applicants must calculate the billing comparison, which should only include the base rate, block gallonage rate, and gallonage rate charges. Do not include other assessments, such as pass-throughs and regulatory assessment fees remitted to the Texas Commission on Environmental Quality (TCEQ), etc.

- 12 If the utility uses the winter months' average method to calculate usage for sewer billing, add the statement below to the notice and detail the months used in the winter months' average calculation. On pages one and three of the notice, the line directly below footnote two is unlocked for the utility's use if applicable.

Gallonage charges are determined based on the average consumption for the winter period, which includes the following 3 months: _____.

ADDITIONAL ASSISTANCE:

For **general questions** about the rate application package, you may call or email the PUC for assistance. Call 1-512-936-7405 or email water@puc.texas.gov with your general questions. Please also specify what type of assistance is needed: financial or technical, so we can direct your request to the appropriate specialist.

For **extensive requests** for assistance, utility companies (not consultants) may contact the PUC to request free assistance from a contractor. Please call 1-512-936-7405 or email water@puc.texas.gov to request assistance. In the subject line of your email write, "Request for Contractor Referral." For voice messages, please state you are "requesting assistance with preparing a rate application and need a Contractor Referral."

1701 N. Congress Avenue
PO Box 13326
Austin, TX 78711-3326



Date Filed: _____
CCN Water No.(s): _____
CCN Sewer No.(s): _____

**Public Utility Commission of Texas
Class "C" Water or Sewer Utility Request
for a Price Rate Adjustment**

Pursuant to Texas Water Code §13.1872 and 16 Texas Administrative Code Chapter 24

Utility Name: _____

Applicant: _____
(If applicable, an Individual, Corporation, or Other Legal Entity other than Utility)

Address: _____ **E-Mail:** _____
City: _____ **Web Site:** _____
State/Zip: _____
Telephone: _____
Fax: _____

Person to whom correspondence concerning this request should be addressed:

Name: _____
(First/Last Name)

Address: _____ **E-Mail:** _____
City: _____ **Web Site:** _____
State/Zip: _____
Telephone: _____
Fax: _____

Affiliates _____
(list by name _____
and CCN No.) _____

Number of Current Active Water Connections: _____
Number of Current Active Sewer Connections: _____
(Total for all of the utility's CCNs and subdivisions.)

Class C Water or Sewer Utility Request for a Price Rate Adjustment

(Utility Name)

(Date of Application)

Enter all applicable data in unlocked cells. For example, the "Other:_____" cell or the "Previous Tariff Rates" column should be completed using the utility's previously approved tariff. The remainder of the worksheet will automatically calculate new tariff values.

| WATER | | Previous Tariff Rates | Current Change in PUC Price Index | Proposed Monthly Base Rates |
|--------------------|------|-----------------------|-----------------------------------|-----------------------------|
| Gallons Included: | | | | |
| Meter Sizes | | | 3.20% ¹ | |
| 5/8" or 3/4" | \$ - | \$ - | | |
| 3/4" | \$ - | \$ - | | |
| 1" | \$ - | \$ - | | |
| 1 1/2" | \$ - | \$ - | | |
| 2" | \$ - | \$ - | | |
| 3" | \$ - | \$ - | | |
| 4" | \$ - | \$ - | | |
| 6" | \$ - | \$ - | | |
| 8" | \$ - | \$ - | | |
| 10" | \$ - | \$ - | | |
| Other: | | \$ - | | \$ - |

| SEWER | | Previous Tariff Rates | Current Change in PUC Price Index | Proposed Monthly Base Rates |
|--------------------|------|-----------------------|-----------------------------------|-----------------------------|
| Gallons Included: | | | | |
| Meter Sizes | | | 3.20% ¹ | |
| 5/8" or 3/4" | \$ - | \$ - | | |
| 3/4" | \$ - | \$ - | | |
| 1" | \$ - | \$ - | | |
| 1 1/2" | \$ - | \$ - | | |
| 2" | \$ - | \$ - | | |
| 3" | \$ - | \$ - | | |
| 4" | \$ - | \$ - | | |
| 6" | \$ - | \$ - | | |
| 8" | \$ - | \$ - | | |
| 10" | \$ - | \$ - | | |
| Other: | | \$ - | | \$ - |

¹The Texas Water Code limits the increase to the lesser of either 5% or the change in annual price index. The current annual price index change is published at:

<http://www.puc.texas.gov/industry/water/reports/Default.aspx>

Please note that rates for separate surcharges and pass-through clauses in your tariff may not be included in the calculation. Only your base rate and gallonage charge may be included. No fees such as tap fees, late fees, or any other tariffed rate may be increased.

Class C Water or Sewer Utility Request for a Price Rate Adjustment

Utility Name: _____
 CCN Number(s): Water _____ Sewer _____

WATER

| | | |
|--|--|----------------------------------|
| (Do not complete if you have BLOCK gallonage rates.) | | |
| GALLONAGE CHARGE: | | |
| for each additional 1,000 gallons over the minimum (use this table for a single gallonage rate) | | |
| Previous Tariff Rates | Current Change in PUC Price Index | Proposed Tariff Rates |
| \$ - | 3.20% ¹ | \$ - |

| (Do not complete if you have a single gallonage charge.) | | | | | | |
|---|--|----|--|---|---|---|
| BLOCK GALLONAGE CHARGES | | | | | | |
| Gallonage Blocks | | | | Previous Tariff Rates (per 1,000 gallons) | Current Change in PUC Price Index | Proposed Tariff Rates (per 1,000 gallons) |
| From | | to | | \$ - | 3.20% ¹ | \$ - |
| From | | to | | \$ - | | \$ - |
| From | | to | | \$ - | | \$ - |
| From | | to | | \$ - | | \$ - |
| For usage over | | | | \$ - | | \$ - |

SEWER

| | | |
|--|--|----------------------------------|
| (Do not complete if you have BLOCK gallonage rates.) | | |
| GALLONAGE CHARGE: | | |
| for each additional 1,000 gallons over the minimum (use this table for a single gallonage rate) | | |
| Previous Tariff Rates | Current Change in PUC Price Index | Proposed Tariff Rates |
| \$ - | 3.20% ¹ | \$ - |

| (Do not complete if you have a single gallonage charge.) | | | | | | |
|---|--|----|--|---|---|---|
| BLOCK GALLONAGE CHARGES | | | | | | |
| Gallonage Blocks | | | | Previous Tariff Rates (per 1,000 gallons) | Current Change in PUC Price Index | Proposed Tariff Rates (per 1,000 gallons) |
| From | | to | | \$ - | 3.20% ¹ | \$ - |
| From | | to | | \$ - | | \$ - |
| From | | to | | \$ - | | \$ - |
| From | | to | | \$ - | | \$ - |
| For usage over | | | | \$ - | | \$ - |

¹The Texas Water Code limits the increase to the lesser of either 5% or the change in annual price index. The current annual price index change is published at:
<http://www.puc.texas.gov/industry/water/reports/Default.aspx>

NOTICE OF APPROVED UTILITY PRICE RATE ADJUSTMENT

Utility Name: _____

CCN Number(s): **Water** _____ **Sewer** _____

The rates listed on the next page will apply to service received after the effective date listed on the notice below. This rate was requested by the utility and approved by the Public Utility Commission of Texas based on a percentage change in the price index, which is set by the Commission annually. Texas Water Code § 13.1872 allows the utility to receive an annual rate adjustment, without a hearing, based on the changes in the price index.

The following public water system(s), sewer system(s), and/or subdivision(s) will be affected by this rate adjustment:

Effective Date of Approved Increase: _____
(must be at least 30 days from the date the customers receive notice)

The rate adjustment will apply to all service rendered after the effective date and will be reflected on the bill you receive approximately 30 to 45 days after the effective date.

Address: _____
City: _____
State/Zip: _____
Telephone: _____

Percent of Rate Adjustment: 3.20%¹
Date Notice Delivered: _____
Date Meters are Read: _____

Billing Comparison²

Charges based on Gallons (G) per Month (mo)

Water:

| Previous | | New | |
|----------|-----------|----------|-----------|
| 5,000 G | _____ /mo | 5,000 G | _____ /mo |
| 10,000 G | _____ /mo | 10,000 G | _____ /mo |
| 30,000 G | _____ /mo | 30,000 G | _____ /mo |

Sewer:

| Previous | | New | |
|----------|-----------|----------|-----------|
| 5,000 G | _____ /mo | 5,000 G | _____ /mo |
| 10,000 G | _____ /mo | 10,000 G | _____ /mo |

¹The Texas Water Code limits the increase to the lesser of either 5% or the change in annual price index. The current annual price index change is published at:

<http://www.puc.texas.gov/industry/water/reports/Default.aspx>

²The billing comparison only includes base rate, block gallonage rate and gallonage rate charges.

NOTICE OF APPROVED UTILITY PRICE RATE ADJUSTMENT

Utility Name: _____

CCN Number(s): _____

Water _____

Sewer _____

WATER

| BASE RATES | | | |
|-------------------|----------------------------|-----------------------|------|
| Meter Size | Previous Monthly Base Rate | New Monthly Base Rate | |
| 5/8" or 3/4" | \$ - | \$ - | |
| 3/4" | \$ - | \$ - | |
| 1" | \$ - | \$ - | |
| 1 1/2" | \$ - | \$ - | |
| 2" | \$ - | \$ - | |
| 3" | \$ - | \$ - | |
| 4" | \$ - | \$ - | |
| 6" | \$ - | \$ - | |
| 8" | \$ - | \$ - | |
| 10" | \$ - | \$ - | |
| Other: | | \$ - | \$ - |

| GALLONAGE CHARGES | | |
|--|-----------------------------------|------------------|
| for each additional 1,000 gallons over the minimum | | |
| Previous Tariff Rates | Current Change in PUC Price Index | New Tariff Rates |
| \$ - | 3.20%¹ | \$ - |

| BLOCK GALLONAGE CHARGES | | | | | | | |
|--|---|----|---|--|--|---|---|
| Gallage Blocks (inclining or declining) | | | | Previous Tariff Rates (per 1,000 gallons) | Current Change in PUC Price Index | New Tariff Rates (per 1,000 gallons) | |
| From | 0 | to | 0 | \$ - | 3.20%¹ | \$ | - |
| From | | to | | \$ - | | \$ | - |
| From | | to | | \$ - | | \$ | - |
| From | | to | | \$ - | | \$ | - |
| For usage over | | | | \$ - | | \$ | - |

¹The Texas Water Code limits the increase to the lesser of either 5% or the change in annual price index. The current annual price index change is published at:

<http://www.puc.texas.gov/industry/water/reports/Default.aspx>

NOTICE OF APPROVED UTILITY PRICE RATE ADJUSTMENT

Utility Name: _____

CCN Number(s): _____

Water

Sewer

SEWER

| BASE RATES | | |
|--|----------------------------|-----------------------|
| Meter Size | Previous Monthly Base Rate | New Monthly Base Rate |
| 5/8" or 3/4" | \$ - | \$ - |
| 3/4" | \$ - | \$ - |
| 1" | \$ - | \$ - |
| 1 1/2" | \$ - | \$ - |
| 2" | \$ - | \$ - |
| 3" | \$ - | \$ - |
| 4" | \$ - | \$ - |
| 6" | \$ - | \$ - |
| 8" | \$ - | \$ - |
| 10" | \$ - | \$ - |
| Other: | \$ - | \$ - |

| GALLONAGE CHARGES ¹ | | |
|--|-----------------------------------|------------------|
| for each additional 1,000 gallons over the minimum | | |
| Previous Tariff Rates | Current Change in PUC Price Index | New Tariff Rates |
| \$ - | 3.20% ¹ | \$ - |

| BLOCK GALLONAGE CHARGES | | | | | | |
|--|--|----|--|--|-----------------------------------|---|
| Gallage Blocks (inclining or declining) | | | | Previous Tariff Rates (per 1,000 gallons) | Current Change in PUC Price Index | New Tariff Rates (per 1,000 gallons) |
| From | | to | | \$ - | 3.20% ¹ | \$ - |
| From | | to | | \$ - | | \$ - |
| From | | to | | \$ - | | \$ - |
| From | | to | | \$ - | | \$ - |
| For usage over | | | | \$ - | | \$ - |

¹The Texas Water Code limits the increase to the lesser of either 5% or the change in annual price index. The current annual price index change is published at:

<http://www.puc.texas.gov/industry/water/reports/Default.aspx>