

## CHAPTER 24. SUBSTANTIVE RULES APPLICABLE TO WATER AND SEWER SERVICE PROVIDERS.

### Subchapter B. RATES AND TARIFFS.

#### §24.49. Application for a Rate Adjustment by a Class D Utility Under Texas Water Code §13.1872.

- (a) **Purpose.** This section establishes procedures for a Class D utility to apply for an adjustment to its water or wastewater rates as allowed by Texas Water Code (TWC) §13.1872(c)(1).
- (b) **Definitions.** In this section, the term application means an application for a rate adjustment filed under this section and TWC §13.1872(c)(1).
- (c) **Requirements for filing of the application.** Subject to the limitations set out in subsection (g) of this section, a Class D utility may file an application with the commission.
  - (1) The utility may request to increase its tariffed monthly fixed customer or meter charges and monthly gallonage charges by no more than five percent.
  - (2) The application must be on the commission's form.
- (d) **Determining whether the application is administratively complete.**
  - (1) If commission staff requires additional information in order to process the application, commission staff must file a notification to the utility within 14 days of the filing of the application requesting any necessary information.
  - (2) An application may not be deemed administratively complete as required by §24.8 of this title (relating to Administrative Completeness) until after the utility has responded to commission staff's request under paragraph (1) of this subsection.
- (e) **Staff recommendation.**

Within 30 days of the filing of the application, commission staff must file a recommendation stating whether the application should be deemed administratively complete as required by §24.8 of this title. If commission staff recommends that the application be deemed administratively complete, commission staff must also file a recommendation on final disposition, including:

  - (1) The utility's rate adjustment information as follows:
    - (A) Certificate of Convenience and Necessity (CCN) number;
    - (B) Affected subdivision(s);
    - (C) Existing and proposed base rate by meter size;
    - (D) Existing and proposed gallonage rate by block;
    - (E) Percentage increase of the rate adjustment;
    - (F) Date by which notice is delivered; and
    - (G) Effective date of the rate increase.
  - (2) An updated tariff sheet reflecting the requested rate change; and
  - (3) The proper notice of approved rates to be provided to the utility's ratepayers as described in subsection (f)(2) of this section.
- (f) **Notice of Approved Rates.**
  - (1) A utility must send by mail, or by e-mail if the ratepayer has agreed to receive communications electronically, notice to each ratepayer describing the proposed rate adjustment. The notice must be sent after the utility receives a written order from the commission approving the application, and at least 30 days before the effective date of the approved change.
  - (2) A notice of approved rates must include:
    - (A) A statement that the utility requested an annual rate adjustment and specifying the percent amount requested;
    - (B) The existing rate;
    - (C) The approved rate;
    - (D) A monthly billing comparison; and
    - (E) A statement that the rate adjustment was requested under TWC §13.1872 and that a hearing will not be held for the request.

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- (g) **Time between filings.** A Class D utility may adjust its rates under this section not more than once each calendar year and not more than four times between rate proceedings filed under TWC §13.1872(c)(2).