AHy

Buddy Garcia, *Chairman*
Larry R. Soward, *Commissioner*
Bryan W. Shaw, Ph.D., *Commissioner*
Mark R. Vickery, P.G., *Executive Director*

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
2008 JUL -2 PM 4: 12
CHIEF CLERKS OFFICE

July 1, 2008

The Honorable Craig R. Bennet
The Honorable Travis Vickery
Administrative Law Judges
State Office of Administrative Hearings
300 W. 15th Street, Suite 502
Austin, Texas 78711

Re: SOAH Docket Nos. 582-05-2770, 582-05-2771;
TCEQ Docket Nos. 2004-1120-UCR, 2004-1671-UCR;
Application by Aqua Utilities Inc. d/b/a Aqua Texas, Inc. to Change its Water and Sewer Tariffs and Rates in Various Counties

Dear Judge Bennet and Judge Vickery:

In Response to Order No. 51, the ED provides the attached calculations for water and wastewater rates by region. The ED has not included a recommended surcharge for rate case expenses because we understand that AquaTexas will be providing addition rate case expense invoices today. The ED will review the additional invoices and will notify the ALJs and the parties by July 8, 2008 if the ED disagrees with the final amount and with the proposed surcharge. The ED is also deferring to AquaTexas on calculating the deferred expense surcharge. Again, the ED will notify the ALJs and the parties by July 8, 2008 whether the ED objects to the deferred expense surcharge proposed by AquaTexas.

Thank you for your attention to this matter.

Sincerely,

Todd Galiga

Todd Galiga,
Environmental Law Division

enclosures

cc: Mailing List

Service List
Aqua Utilities, Inc. dba Aqua Texas, Inc.
SOAH Docket No. 582-05-2770, 582-05-2771
TCEQ Docket No. 2004-1120-UCR, 2004-1671-UCR

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FINAL RATE CALCULATIONS

AT Rates Based on PFD Without Exceptions with Total Connections			
Water	Revenue Requirement	Base	Gallonage
North	10,298,751	33.41	3.27
SE	8,861,469	18.99	2.95
SW	8,444,385	36.86	3.61

Sewer	Revenue Requirement	Flat
North	648,271	71.93
SE	6,254,310	58.46
SW	1,966,104	82.52

AT Rates Based on PFD Without Exceptions with Active Connections			
Water	Revenue Requirement	Base	Gallonage
North	10,298,751	36.89	3.27
SE	8,861,469	20.84	2.95
SW	8,444,385	38.94	3.61

Sewer	Revenue Requirement	Flat
North	648,271	73.30
SE	6,254,310	63.80
SW	1,966,104	87.97

Total Connections			Active Connections	
	water	Sewer	water	Sewer
North	15,197	730	13,757	716
SE	14,927	7,654	13,597	6,956
SW	9,627	1,851	9,095	1,750