

## DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER  
COMMISSIONER RAPER  
COMMISSIONER ANDERSON  
COMMISSION SECRETARY  
LEGAL  
WORKING FILE**

**FROM: JOHN R HAMMOND, JR.  
DEPUTY ATTORNEY GENERAL**

**DATE: MAY 4, 2021**

**RE: IN THE MATTER OF THE APPLICATION OF CDS STONERIDGE  
UTILITIES, LLC TO CHANGE RATES FOR NON-REFUNDABLE  
HOOK-UP FEE FOR NEW WATER CONNECTIONS, CASE NO.  
SWS-W-20-01**

### BACKGROUND

On June 4, 2020, CDS Stoneridge Utilities, LLC ("Stoneridge", or "Company") applied to increase the fee for a new customer to physically connect Stoneridge's water system from \$1,200 to \$9,735. Stoneridge requested an effective date of July 27, 2020.

On June 25, 2020, the Commission ordered the Application to be processed by modified Procedure, and suspended Stoneridge's proposed effective date to January 26, 2021. Order No. 34702.

On January 5, 2021, the Commission extended the suspension period and set a comment deadline of January 26, 2020, and a reply comment deadline of February 9, 2021. Order No. 34886.

On March 25, 2021, the Commission issued Final Order No. 34969, authorizing Stoneridge to charge hook-up fees as set forth in the Order; directing Stoneridge to charge the minimum monthly rate for a ¾-inch meter, and modify its tariff to reflect this change; directing the Company to modify its tariff to reflect a single \$65 reconnect fee; and approving modifications to the definitions section as proposed by Staff. The Commission also ordered Stoneridge to file a conforming tariff within 10 days of the issuance of its order.

On April 8, 2021, Stoneridge submitted a modified tariff to the Commission. On

April 22, 2021, the Commission rejected the Company's modified tariff (Order No. 35017). On May 3, 2021, the Company submitted a Second Modified Tariff ("Second Modified Tariff") to the Commission and requested an effective date of May 4, 2021.

#### **STAFF'S ANALYSIS**

Staff reviewed the Second Modified Tariff and found it to be in conformance with Commission Order Nos. 34969 and 35017.

Staff requested hook-up connection information after the issuance of Order No. 34969. Post Order No. 34969 and prior to Order No. 35017, the Company hooked up two (2) customers and charged them \$3,500. Staff asks the Commission to determine the appropriate fee to be charged to these two customers. Should it be the \$3,500 fee charged per Order No. 34969 or the \$1,200 fee authorized per Order No. 35017?

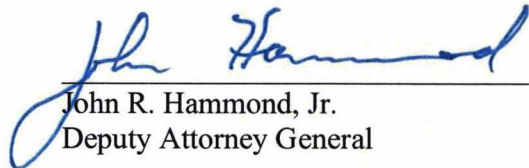
#### **STAFF'S RECOMMENDATION**

Staff recommends that the Commission approve the Second Modified Tariff submitted by Stoneridge on May 3, 2021, with an effective date of May 4, 2021.

#### **COMMISSION DECISION**

Does the Commission wish to approve the Second Modified Tariff submitted by the Company on May 3, 2021, with an effective date of May 4, 2021?

Should the Company refund \$2,300 each to the two customers or allow the Company to charge the \$3,500 hook-up fee?

  
John R. Hammond, Jr.  
Deputy Attorney General

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