

LOUISIANA PUBLIC SERVICE COMMISSION

ORDER NUMBER U-37565

DEEPWOODS UTILITIES, INC., EX PARTE.

Docket No. U-37565, In re: Application for an increase in water and wastewater rates.

(Decided at the December 17, 2025 Business and Executive Session.)

ORDER

I. BACKGROUND AND PROCEDURAL HISTORY

On April 22, 2025, Deepwoods Utilities, Inc. (“Deepwoods” or “Company”) filed with the Louisiana Public Service Commission (“LPSC” or “Commission”) its Application for an increase in its water and sewer rates (“Application”) for service provided to approximately 218 residential customers in Caddo Parish, Louisiana (“Application”). Deepwoods cited as justification for its increase the rising costs of operating expenses and cash reserves necessary to repair or replace infrastructure.

The Application was published in the Commission's Official Bulletin No. 1348 on April 25, 2025. No interventions were filed. This matter was assigned to Chief Administrative Law Judge (“ALJ”) Verzwylvelt, and a status conference was set for June 10, 2025, but prior to the status conference, on May 27, 2025, the parties filed a motion to continue the status conference and adopt a procedural schedule (“Motion”). That Motion was granted the same day. In accordance with the procedural schedule, Commission Staff filed its Report and Recommendation, along with the Direct Testimony of Chassitty Williams on September 22, 2025. On October 21, 2025, Deepwoods filed correspondence signed by its Bookkeeper and Representative, Patrick Henagan, acknowledging and accepting the Staff Report and Recommendation. On November 17, 2025, the parties filed a Joint Motion for the Scheduling of Hearing on Uncontested Stipulated Settlement. A ruling was issued November 18, 2025, setting the stipulation hearing for November 24, 2025. On November 20, 2025, Deepwoods filed proof of publication in the Official Journals. The publication was correct and in compliance with the Commission.

In the Direct Testimony of Chassitty Williams, Commission Staff reviewed the Company’s submitted financial statements and recommended that the Commission authorize a 19.33% margin of revenues over expenses to ensure sufficient cash flow. As a part of the correspondence from Deepwoods filed on October 21, 2025, Deepwoods accepted the Staff Recommendation and the

parties executed an Uncontested Stipulated Settlement ("Stipulation") which was presented at a stipulation hearing in accordance with Rule 6 of the Commission's Rules of Practice and Procedure, along with the supporting testimony of Chassitty Williams on behalf of the Commission Staff and the affidavit of Deepwoods' Owner, Rupert Sepulvado, on behalf of Deepwoods.

On November 17, 2025, Deepwoods and Commission Staff filed a Joint Motion to Convert to, and schedule, Uncontested Stipulated Hearing. A hearing on the Uncontested Stipulation was held on November 24, 2025.

II. COMMISSION AUTHORITY

The Commission exercises jurisdiction over public utilities in Louisiana pursuant to Article IV, Section 21(B) of the Louisiana Constitution.

LA. Const. Art. IV, Sec. 21(B) provides in pertinent part:

The commission shall regulate all common carriers and public utilities and have such other regulatory authority as provided by law. It shall adopt and enforce reasonable rules, regulations, and procedures necessary for the discharge of its duties, and shall have other powers and perform other duties as provided by law.

III. STIPULATED SETTLEMENT

On November 17, 2025, Deepwoods and Commission Staff, pursuant to Rule 6 of the Commission's Rules of Practice and Procedure, filed a Joint Motion to Convert to an Uncontested Stipulated Settlement, including Uncontested Stipulated Settlement Term Sheet, Settlement Testimony from Chassitty Williams for Staff, and Settlement Testimony from Patrick Henagan on behalf of Deepwoods. A hearing on the Settlement was held before Chief ALJ Verzwylt on November 24, 2025. At the hearing, Staff and Deepwoods introduced testimony and documentary evidence in support of the settlement. Chief ALJ Verzwylt issued *Report of Proceedings and Submission of Stipulation for Consideration by Commissioners* on November 25, 2025. The Settlement resolved all issues in this proceeding. Staff recommended that the Commission authorize a r(O&M) of 19.33% for the Company to allow Deepwoods an adequate margin of revenues over expenses to ensure sufficient cash flow. To achieve the desired r(O&M), Staff recommended that the Commission approve the rates as recommended in Exhibit A attached

hereto, which will generate additional annual revenues in the amount of \$34,164.00 compared to the 2023 test year.

Terms of the Stipulated settlement are:

1. Deepwoods be authorized the ability to earn an OMR of 19.33%.
2. Deepwoods be authorized to increase its Residential and Commercial rates as reflected in Staff Exhibit A-1 (see below), in order to earn an increase in annual revenues in the amount of \$34,164.00.

DEEPWOODS UTILITIES, INC DOCKET # U-37565 COMPARISON OF PRESENT& RECOMMENDED RATES RESIDENTIAL WATER AND WASTEWATER SERVICES FOR TEST YEAR DECEMBER 31, 2024				
	Present Rates	Recommended Rates	Recommended(\$) Increase	Recommended (%) Increase
Residential Water Base Rate (Includes 2,000 Gallons)	\$12.00	\$20.00	\$8.00	67%
Per additional 1,000 gallons	\$2.00	\$2.55	\$0.55	28%
Residential Wastewater Flat Rate	\$18.00	\$23.00	\$5.00	28%

3. Deepwoods shall provide written notice to its customers of the increase in its rates for water and wastewater service no later than fifteen (15) days prior to implementing any such rates.
4. Within fifteen (15) days of issuance of this order, Deepwoods shall submit an updated and revised tariff consistent with this order to the Commission’s Utilities Division and Legal Division for their review and approval. Following review and approval of the same, Deepwoods shall file a copy of its updated and revised tariff into the record of this proceeding.
5. This action is taken without prejudice to the authority of the Commission to make investigations and require any reasonably necessary change that the Commission may legally find to be in the public interest.

IV. COMMISSION CONSIDERATION

This matter was considered at the Commission’s December 17, 2025 Business and Executive Session. After discussion, on motion of Commissioner Campbell, seconded by Vice Chairman Skrmetta, and unanimously adopted, the Commission voted to approve the Uncontested Stipulated Settlement filed into the record on November 17, 2025.

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IT IS THEREFORE ORDERED THAT:

- 1) The Uncontested Stipulated Settlement filed into the record on November 17, 2025, is accepted.
- 2) This order is effective immediately.

**BY ORDER OF THE COMMISSION
BATON ROUGE, LOUISIANA**
January 9, 2026



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**BRANDON M. FREY
SECRETARY**

A handwritten signature in blue ink, appearing to read "Mike Francis".

**DISTRICT IV
CHAIRMAN MIKE FRANCIS**A handwritten signature in blue ink, appearing to read "Eric F. Skrmetta".

**DISTRICT I
VICE CHAIRMAN ERIC F. SKRMETTA**A handwritten signature in blue ink, appearing to read "Foster L. Campbell".

**DISTRICT V
COMMISSIONER FOSTER L. CAMPBELL**A handwritten signature in blue ink, appearing to read "Davante Lewis".

**DISTRICT III
COMMISSIONER DAVANTE LEWIS**A handwritten signature in blue ink, appearing to read "Jean-Paul P. Coussan".

**DISTRICT II
COMMISSIONER JEAN-PAUL P. COUSSAN**