



Control Number: 42864



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**SOAH DOCKET NO. 473-14-5146.WS**  
**PUC DOCKET NO. 42864**

RECEIVED

<b>WATER RATE/TARIFF CHANGE APPLICATION OF ENCHANTED HARBOR UTILITY, CERTIFICATE OF CONVENIENCE AND NECESSITY NO. 12683, IN CALHOUN COUNTY, TEXAS</b>	§	<b>BEFORE THE STATE OFFICE  OF  ADMINISTRATIVE HEARINGS</b>
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PUBLIC UTILITY COMMISSION  
FILING CLERK

**STATUS REPORT**

**COMES NOW** the Staff of the Public Utility Commission of Texas (Staff), representing the public interest and files this Status Report.

On July 29, 2014, a preliminary hearing was held for this matter. Administrative Law Judge (ALJ) Rebecca Smith took jurisdiction and admitted the following as parties to this proceeding: (1) Enchanted Harbor Utility; (2) the Executive Director (ED) of the Texas Commission on Environmental Quality (Commission or TCEQ); and ratepayers Keith L. Smith, Anne Clark, and Evelyn Saucier. On the same day, the parties commenced mediation that lasted throughout the month of August. In the final days of TCEQ's jurisdiction over water utility matters, the parties reached and signed a settlement agreement. On August 27, 2014, Enchanted Harbor Utility (Enchanted Harbor or Utility) filed an uncontested Motion to Remand with SOAH with the settlement agreement attached. Staff files this Status Report to request additional time for review.

Pursuant to House Bill 1600 and Senate Bill 567, 83<sup>rd</sup> Legislature, this matter was transferred to the Public Utility Commission as of September 1, 2014. Because of the procedural complexities involved with the transfer, Staff requests that Your Honor abstain from ruling on the Motion to Remand in order to submit a settlement package that is consistent with Commission practice.

SOAH Order No. 5 explained that no further extensions would be granted in this docket unless the parties could show good cause. Staff agrees with the ALJ that this matter has been extraordinarily protracted and needs to be completed. While there are several reasons this matter has taken so long, in recent weeks Enchanted Harbor provided Staff with documentation so Staff

could determine what capital improvements the Utility has made since the original settlement in principal was struck and how much longer a surcharge needed to be collected from the Utility's customers to fund those capital improvements. Staff needed to perform this review, as the capital improvements and surcharge were a central part to the original negotiations. Staff proposed an adjustment to the proposed amount of surcharge that needed to be collected, and the Utility accepted Staff's adjustment on April 14, 2017. Staff is making simple edits to its testimony in support of the proposed stipulation to reflect the adjustment.

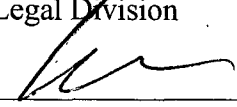
What remains now is to circulate all components of the settlement package with the interveners in this case. However, Staff notes that on April 14, 2017, the Utility filed a Motion to Remove Parties, since the intervenors are no longer customers of the Utility. Regardless, of the ALJ's ruling on this motion, Staff will work quickly with all remaining parties to circulate the settlement package and obtain signatures from all parties who wish to join the proposed settlement. Additionally, Staff will help facilitate a prehearing conference if it will assist the ALJ in making determinations.

For the reasons stated above, Staff respectfully requests the ALJ find that there is good cause to extend the abatement in this matter until May 17, 2017.

Respectfully Submitted,

Margret Uhlig Pemberton  
Division Director  
Legal Division

Stephen Mack  
Managing Attorney  
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**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on April 17, 2017 in accordance with 16 Tex. Admin. Code § 22.74.

  
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Douglas M. Brown, Attorney