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

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WATER RATE/TARIFF CHANGE APPLICATION OF ENCHANTED HARBOR UTILITY, CERTIFICATE OF CONVENIENCE AND NECESSITY NO. 12683, IN CALHOUN COUNTY, TEXAS	§ § § § § §	BEFORE THE STATE OFFICE PUBLIC UTILITY COMMISSION OF FILING CLERK ADMINISTRATIVE HEARINGS
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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, 83rd 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 provide Staff adequate time to review the case and proposed settlement.

SOAH Order No. 6 allowed the parties until May 17, 2017 to file a settlement package or status update. Since the last status update, Staff has revised its testimony in support of the proposed settlement to reflect capital improvements and financial transactions that have occurred since the settlement terms were originally struck. On May 12, 2017 Staff requested that

Applicant verify one calculation which Staff intends to include in the proposed, stipulation, order and testimony. The Applicant is working quickly to provide Staff with that verification. Once the calculation is provided and included in the settlement documents, those documents will be circulated with all parties for their consent. Staff remains mindful of the ALJs concerns regarding the protracted nature of this case. Staff shares this concern and is working to close this matter soon.

For the reasons stated above, Staff respectfully requests the ALJ find that there is good cause to extend the abatement in this matter until June 17, 2017, at which point the parties will submit a settlement package or status update.

Respectfully Submitted,

Margret Uhlig Pemberton
Division Director
Legal Division

Stephen Mack
Managing Attorney
Legal Division

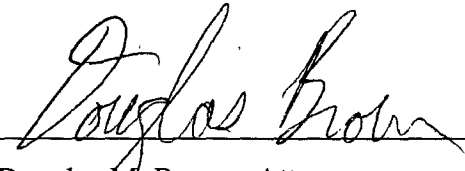


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CERTIFICATE OF SERVICE

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



Douglas M. Brown, Attorney