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

2017 SEP 18 PM 4:37

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

SOAH Order No. 10 allowed the parties until August 18, 2017 to file a settlement package or status update. Since the last status update, Staff and the Applicant's representative have continued discuss the interest term of the proposed agreement. This is a particularly difficult issue due to the complexities and duration of the transactions involved.

Staff and Applicant last spoke on August 15, 2017. Staff agreed to rerun its interest calculation and present that calculation to the Applicant this week.

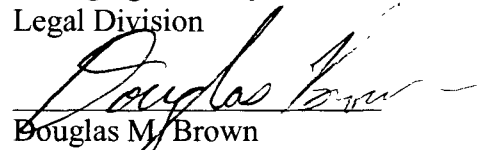
Staff remains mindful of the ALJ's concerns regarding the protracted nature of this case. Staff shares this concern and is working to close this matter as soon as possible.

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

Respectfully Submitted,

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Division Director  
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**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on September 18, 2017 in accordance with 16 Tex. Admin. Code § 22.74.

  
Douglas M. Brown, Attorney