



Control Number: 43183



Item Number: 7

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DOCKET NO. 43183

**APPLICATION OF ENGLISH ACRES
AND DARIO V. GUERRA III FOR
SALE, TRANSFER, OR MERGER OF
FACILITIES AND CERTIFICATE
RIGHTS IN JIM WELLS COUNTY
(37889-S)**

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PUBLIC UTILITY COMMISSION

OF

TEXAS

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2014 FEB 28 PM 5:34
PUBLIC UTILITY COMMISSION

STAFF'S STATUS UPDATE AND PROPOSED PROCEDURAL SCHEDULE

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest and files this Status Update and Proposed Procedural Schedule and would show the following:

I. BACKGROUND

On February 28, 2014, Dario V. Guerra III dba Derby, Ing. (Derby) filed an application with the Texas Commission on Environmental Quality (TCEQ) to acquire and transfer Certificate of Convenience and Necessity (CCN) No. 12794 held by English Acres pursuant to TEX. WATER CODE ANN. § 13.301 and Title 16, TEX. ADMIN. CODE (16 TAC) §§ 24.109 and 24.112. On July 16, 2014, TCEQ issued a Notice of Deficiency requiring Derby to provide supplemental information for the application. Derby has not yet to cured the application's deficiencies. Effective September 1, 2014, the Commission began the economic regulation of water and sewer utilities and this case formerly pending at the TCEQ was transferred to the Commission. The application was received by the Commission on September 19, 2014.

As detailed in the attached memorandum of Debbie Reyes Tamayo (Attachment A), Staff finds that the petition is deficient for further review pursuant to 16 TAC § 24.109, and recommends Derby have 30 days to cure the deficiencies and pay penalties listed in Attachment A.

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On October 3, 2014, Order No. 2 was issued requiring Staff to file an update on the status of the proceeding, a recommendation on the application if appropriate, or proposed procedural schedule by October 28, 2014. Therefore, this Response is timely filed.

II. PROPOSED PROCEDURAL SCHEDULE

Applicant's deadline to cure deficiencies of the sale, transfer, merger, application and pay applicable penalties	December 1, 2014 ¹
Deadline for Staff to file a recommendation on administrative completeness of application and notice to customers and if appropriate recommend an additional procedural schedule.	December 15, 2014

III. CONCLUSION

Staff respectfully requests that the Administrative Law Judge issue an order reflecting this Response.

¹ Pursuant to P.U.C. SUBST. R. 24.4(a) if a deadline falls on a day that the Commission is not open for business, the deadline shall run to the end to the next day the Commission is open for business. In this instance, the 30th day falls on the Thanksgiving holiday.

Dated: October 28, 2014

Respectfully Submitted,

Joseph P. Younger
Division Director
Legal Division

Stephen Mack
Managing Attorney
Legal Division

Doug Brown *up permission*
Douglas M. Brown
Attorney, Legal Division
State Bar No. 24048366
(512) 936-7203
(512) 936-7268 (facsimile)
Public Utility Commission of Texas
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

DOCKET NO. 43183
CERTIFICATE OF SERVICE

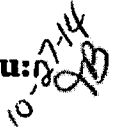
I certify that a copy of this document will be served on all parties of record on October 28, 2014 in accordance with P.U.C. Procedural Rule 22.74.

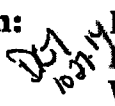
Doug Brown *up permission*
Douglas M. Brown *Stephen Mack*

ATTACHMENT A
(Subject Matter Expert's Memorandum)

PUC Interoffice Memorandum

To: Douglas Brown
Legal Division

Thru: ¹⁰⁻²⁷⁻¹⁴  Tammy Benter, Director
Water Utilities Division

From: ¹⁰⁻²⁷⁻¹⁴  Debbie Reyes Tamayo
Program Specialist
Water Utilities Division

Date: October 27, 2014

Subject: Staff Recommendation for Docket No. 43183

On February 28, 2014, English Acres Water System (Applicant) Certificate of Convenience and Necessity (CCN) No. 12794 filed an application with the Texas Commission on Environmental Quality (TCEQ) to acquire Derby Ing., application A2029 in Jim Wells County, pursuant to the criteria in the Texas Water Code, Chapter 13, and the TCEQ's rules outlined in Title 30, Texas Administrative Code (TAC), Sections 291.109 and 291.112. On September 1, 2014, the rates and CCN programs were transferred from the TCEQ to the Public Utility Commission (PUC). This application was part of the transfer and is now under the PUC's purview. The application is now being reviewed under the PUC's Substantive Rules in Chapter 24, §§24.109 and 24.112.

Additional information is necessary for the application to be accepted for filing.

- A. The most recent inspection report letter. For each system deficiency listed, if any, attach a brief explanation listing the actions taken or being taken to correct the listed deficiencies, including the proposed completion dates;
- B. A neighboring utility list which includes the county and any neighboring groundwater conservation districts;
- C. A complete and notarized oath from the seller and purchaser.

In addition, English Acres owes Water System fees for fiscal year 1996-2014 in the amount of \$3,755.79. Payment may be made through the following methods: cash, check, ACH (electronic check), money order, or credit card through TCEQ's electronic payment portal (e-pay). Additional information regarding payment options is available at <http://www.tceq.texas.gov/response/drought/waterfees.html>. Upon payment, please send documentation reflecting payment of all delinquent fees and penalties.

Please be advised: Failure to pay fees/penalties within 30 days may result in additional administrative actions affecting your fee accounts and your application with the PUC. Regarding your permit application, additional administrative actions may include return of your application (forfeiting the application fee), or a contested case hearing that may result in the denial of your application.

TB/DRT

Docket No. 43183