



Control Number: 46089



Item Number: 31

Addendum StartPage: 0

RECEIVED

2017 MAR -2 PM 2:17

APPLICATION OF QUADVEST, L.P. TO AMEND A CERTIFICATE OF CONVENIENCE AND NECESSITY AND TO DECERTIFY A PORTION OF TRI- COUNTY POINT PROPERTY OWNERS ASSOCIATION INC.'S SERVICE AREA IN JACKSON COUNTY	§ § § § § § § §	PUBLIC UTILITY COMMISSION PUBLIC UTILITY COMMISSION OF TEXAS
---	--------------------------------------	--

COMMISSION STAFF'S SUPPLEMENTAL RECOMMENDATION ON FINAL DISPOSITION

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and files this Supplemental Recommendation on Final Disposition. Staff reaffirms its recommendation that Quadvest's application be approved. In support thereof, Staff shows the following:

I. BACKGROUND

On June 21, 2016, Quadvest, L.P. (Quadvest) filed an application with the Commission to amend its water certificate of convenience and necessity (CCN) No. 11612 and to decertify a portion of Tri-County Point Property Owners Association Inc.'s (Tri County Point) service area in CCN No. 11786 located in Jackson County, Texas. The service area requested consists of approximately 152 acres and there are no current customers.

On December 14, 2016, Staff filed a Recommendation on Final Disposition. On January 5, 2017, Staff and Quadvest jointly filed a Motion to Admit Evidence and Proposed Notice of Approval, including findings of fact and conclusions of law. On January 12, 2017, the administrative law judge (ALJ) issued Order No. 6 Admitting Evidence. Also on January 12, 2017, the developer Cape Shores Land LLC (Cape Shores) filed a letter requesting that the Commission deny Quadvest's application. On January 31, 2017, Cape Shores filed another letter. On February 2, 2017, Quadvest filed a Response to Order No. 7. On February 17, 2017, Tri County Point filed a Consent Form.

On February 3, 2017, the ALJ issued Order No. 8 Granting Staff's Request for Extension and setting a deadline of March 2, 2017 for Staff to file a supplemental recommendation on final disposition. Therefore, this pleading is timely filed.

II. RECOMMENDATION REGARDING TRI COUNTY POINT'S CONSENT

In Staff's Clarification Recommendation and Request for Extension, filed on January 31, 2017, Staff recommended that in addition to the Tri County Point consent letter included with Quadvest's application it would be appropriate for Tri County Point to also consent to the final map from this docket and their revised CCN No. 11786 decertifying approximately 2.39 acres. Order No. 8 required Tri County Point to file such signed consent by February 10, 2017. Tri County Point filed signed consent on February 17, 2017. Staff recommends that Tri County Point's consent filing sufficiently addresses the decertification of that portion of Tri County Point's service area from CCN No. 11786.

III. SUPPLEMENTAL RECOMMENDATION ON FINAL DISPOSITION

Staff has reviewed the two letters filed by Cape Shores and the Response to Order No. 7 filed by Quadvest, along with the Letter of Intent that Quadvest attached to its response. While Cape Shores asserts that, "Quadvest has notified us they no longer desire to be the water provider for the subdivision known as Cape Shores...",¹ Quadvest's Response to Order No. 7 affirms otherwise.² Quadvest states that they continue to intend to provide water service to the Cape Shores development and further affirm that Quadvest will abide by the agreement between Cape Shores and Quadvest outlined in the Letter of Intent that those entities signed in February and March of 2016.³

Given Quadvest's commitment to provide water service to the area if their application is approved, Staff believes that our original recommendation to approve Quadvest's application remains correct.⁴ Accordingly, Staff reaffirms its recommendation that Quadvest's application be approved. Staff will confer with Quadvest and intends to jointly file by March 9, 2017 a supplemental motion to admit evidence and revised proposed notice of approval to take the previously addressed developments and documentation into account.

Staff notes that Cape Shores' letter filed on January 31, 2017 stated, "I am providing further information regarding my request to deny Quadvest and the CCN at Cape Shores." However, nothing was attached to this brief letter nor was any further documentation filed

¹ Cape Shore's Developer Withdrawal Letter (Jan. 12, 2017).

² Quadvest's Response to Order No. 7 (Feb. 2, 2017).

³ *Id.*

⁴ See Commission Staff's Recommendation on Final Disposition (Dec. 16, 2016).

subsequently. Staff has not been able to contact Cape Shores to determine if further documentation was inadvertently omitted, however if the ALJ should wish to give Cape Shores an additional opportunity to present documentation in support of their allegations, Staff would not be opposed.

IV. CONCLUSION

For the reasons stated above, Staff respectfully reasserts its recommendation that Quadvest's application to amend its CCN No. 11612 in Jackson County be approved. Staff will file jointly with Quadvest a supplemental motion to admit evidence and revised proposed notice of approval by March 9, 2017.

Dated: March 2, 2017

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION.**

Margaret Uhlig Pemberton
Division Director

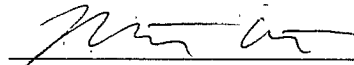
Katherine Lengieza Gross
Managing Attorney



Matthew A. Arth
State Bar No. 24090806
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7021
(512) 936-7268 (facsimile)
Matthew.Arth@puc.texas.gov

P.U.C. DOCKET NO. 46089
CERTIFICATE OF SERVICE

I, Matthew Arth, staff attorney for the Public Utility Commission of Texas, certify that a copy of this document was served on all parties of record in this proceeding on March 2, 2017 in accordance with the requirements of 16 Tex. Admin. Code § 22.74.



Matthew A. Arth