



Control Number 46219



Item Number 4

Addendum StartPage 0

RECEIVED

APPLICATION OF WEST OAKS
PHOENIX CORPORATION FOR
TEMPORARY RATES FOR
SERVICES PROVIDED FOR A
NONFUNCTIONING UTILITY

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PUBLIC UTILITY COMMISSION
2016 AUG 25 PM 1:45
OF TEXAS
PUBLIC UTILITY COMMISSION
FILING CLERK

**COMMISSION STAFF'S RECOMMENDATION THAT
APPLICATION BE DEEMED ADMINISTRATIVELY COMPLETE**

Comes now the staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and files this response to Order No. 1. In support thereof, Staff would show the following:

I. Background

On July 27, 2016, Paula Weber (Weber), temporary manager of West Oaks Phoenix Corporation (West Oaks) filed with the Public Utility Commission of Texas (Commission) an application for a rate/tariff change pursuant to Texas Water Code § 13.046 and 16 Tex. Admin. Code § 24.147 (TAC). The effective date of the proposed rate change is immediately. Weber stated notice will be provided to West Oaks' 18 customers on July 27, 2016.

On August 2, 2016, the Administrative Law Judge issued Order No. 1, requiring Staff to file a recommendation regarding administrative completeness of the application and notice along with a proposed procedural schedule, with Weber, on or before August 26, 2016. Therefore, this pleading is timely filed.

II. STAFF RECOMMENDATION

Staff recommends the following:

A. Application be found sufficient

Based on Staff's preliminary review of the materials submitted by Weber as temporary manager of West Oaks, and as described in the attached Staff memorandum of Janie Kohl of the Water Utilities Division, Staff recommends that the application be found sufficient. However, this recommendation does not address the merits of the application.

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B. Notice be found sufficient

Staff recommends that West Oaks' notice be found sufficient. This notice was provided on July 25, 2016, prior to the first bill at the temporary rate, to the 18 customers of West Oaks pursuant to 16 TAC § 24.147(b), which requires notice 'to the customers of the nonfunctioning system no later than the first bill which includes the temporary rates.

III. JOINT PROPOSED PROCEDURAL SCHEDULE

Staff and Weber jointly propose the following procedural schedule, which would allow the Commission time to issue an order regarding the reasonableness of the temporary rates within 90 days of receiving notice of the temporary rate increase as required by 16 TAC § 24.147(c). Out of an abundance of caution, Staff includes deadlines to request a hearing on the merits. While Staff believes that such a deadline is appropriate, Staff notes that granting such a request would likely require a good cause exception to the applicable 90-day deadline.

Event	Date
Intervention Deadline; Deadline for Intervenor comments; Deadline for Intervenor to request a hearing on the merits.	September 9, 2016
Deadline for Commission Staff's recommendation on final disposition; Deadline for Staff to request a hearing on the merits.	September 23, 2016
Deadline for Applicant to respond to Intervenor comments and Staff recommendation on final disposition or request a hearing on the merits; Deadline for Parties to file a proposed order, including joint proposed findings of fact, conclusions of law, and ordering paragraphs.	September 30, 2016
If applicable, administrative review completed – 90 days from date Commission received notice of the temporary rate increase, per 16 TAC § 24.147(c).	October 25, 2016

IV CONCLUSION

For the reasons stated above, Staff recommends that the application be deemed administratively complete, notice be deemed sufficient, and Staff and Weber's proposed procedural schedule be adopted.

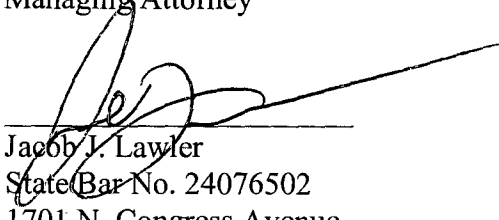
Date: August 25, 2016

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

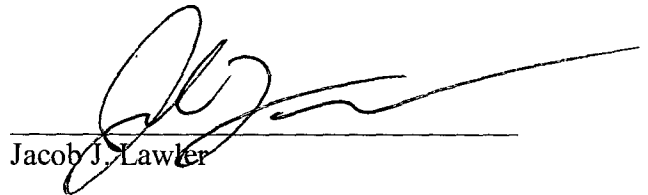
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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on August 25, 2016 in accordance with 16 TAC § 22.74.



Jacob J. Lawler

PUC Interoffice Memorandum

To: Jacob Lawler
Legal Division

Thru: Debi Loockerman, Utilities Work Lead
Water Utilities Division

From: Janie Kohl, Financial Analyst
Water Utilities Division

Date: August 25, 2016

Subject: **Docket #46219**, *Application of West Oaks Phoenix Corporation for Temporary Rates for Services Provided For a Nonfunctioning Utility*

On July 27, 2016, West Oaks Phoenix Corporation (Applicant), Certificate of Convenience and Necessity (CCN) No 12353, filed an application with the Public Utility Commission of Texas (Commission) to a rate increase in order to assure sufficient funds to keep the water system operating properly. The application is being reviewed pursuant to Texas Water Code § 13.046 and 16 Tex. Admin. Code § 24.147.

Commission Advising and Docket Control (CADM) Order No. 1 requires staff to review the proposed application and notice for administrative completeness by August 26, 2016. The Applicant has met the Commission's requirements for sufficiency. Staff recommends that the application be accepted for filing and determined administratively complete.