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APPLICATION OF DAL-HIGH WATER SUPPLY AND L&T WATER WORKS FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN HENDERSON COUNTY

PUBLIC UTILITY COMMISSION FILING CLERK

**OF TEXAS** 

### COMMISSION STAFF'S SUPPLEMENTAL RECOMMENDATION

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Supplemental Recommendation, and would show the following:

#### I. BACKGROUND

On August 22, 2016, Dal-High Water Supply (Dal-High) and L&T Water Works (L&T) filed an application for sale, transfer, or merger of facilities and certificate of convenience and necessity rights in Henderson County. Specifically, L&T seeks approval to acquire all of the water system assets of Dal-High held under water Certificate of Convenience and Necessity (CCN) No. 12830. On January 23, 2017, Order No. 8 was issued, granting Staff's request for an extension and setting January 24, 2017 as the deadline for Staff to request a hearing or file a recommendation on the approval for the sale and CCN amendment. On January 24, 2017, Staff filed a recommendation to dismiss, based on insufficient information in the application. On January 26, 2017, additional information was filed by Dal-High and L&T.

#### II. SUPPLEMENTAL RECOMMENDATION

Based on the supplemental information filed on January 26, 2017, Staff continues to recommend that the application be dismissed. Staff has requested supplemental financial information from L&T that is needed to fully evaluate the application; however, the supplemental information is not sufficient for Staff to make a recommendation on the application prior to the 120-day deadline of February 1, 2017 for Staff's recommendation, as required under 16 Tex. Admin. Code 24.109 (TAC). Staff recommends that the application be dismissed pursuant to 16 TAC § 22.181(d)(7) for failure to amend an application such that it is sufficient after repeated determinations that the application is insufficient. Staff also recommends that the application be dismissed without prejudice, so that L&T may refile the application with the appropriate information for a full analysis.

Dated: January 31, 2017

Respectfully Submitted,

# PUBLIC UTILITY COMMISSION OF TEXAS 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 January 31, 2017 in accordance with 16 Tex. Admin. Code § 22.74.

Jason Haas