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PUBLIC UTILITY COMMISSION  
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APPLICATION OF SOMERVELL §  
COUNTY WATER DISTRICT TO §  
CANCEL SUNSET PARK WATER §  
CORPORATION'S CERTIFICATE OF §  
CONVENIENCE AND NECESSITY IN §  
SOMERVELL COUNTY §  
§

## COMMISSION STAFF'S RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS

COMES NOW the Staff ("Staff") of the Public Utility Commission of Texas ("Commission"), representing the public interest, and files this Recommendation.

### I. BACKGROUND

On August 22, 2016, Somervell County Water District ("Somervell") filed an application to cancel Sunset Part Water Corporation's ("Sunset Park") water certificate of convenience and necessity ("CCN") No. 12055 in Somervell County.<sup>1</sup>

On August 24, 2016, Order No. 1 was entered, requiring Staff to file comments on the administrative completeness of the application and propose a procedural schedule by September 22, 2016. This pleading is timely filed.

### II. RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS

Staff is unable to make a recommendation on administrative completeness at this time because it is unclear what relief Somervell is requesting. Specifically, Somervell has filed its application using the Commission's form for the revocation or cancellation of a CCN pursuant to Tex. Water Code § 13.254 (West 2008 & Supp. 2016) ("TWC"). However, the contract between Somervell and Sunset Park specifically contemplates the use of "the procedures . . . required under Texas Water Code Section 13.301, for the sale, transfer, assignment and disposition of [Sunset

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<sup>1</sup> Application (Aug. 22, 2016).

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Park's] water retail water certificate of convenience and necessity and water distribution system facilities.”<sup>2</sup> In addition, the contract contemplates the transfer of Sunset Park's water distribution system facilities, equipment, and easements to Somervell,<sup>3</sup> but the disposition of these facilities is not addressed in the application.

As a result, Staff is unable to provide a recommendation that the application is administratively complete. Staff recommends that Somervell be directed to clarify whether it intended to file a request pursuant to TWC § 13.301 or TWC § 13.254 and to specifically address whether it intends to request Commission approval of the sale of Sunset Park's facilities.

### **III. PROCEDURAL SCHEDULE**

Staff is unable to propose a procedural schedule at this time. Staff recommends that Somervell be directed to clarify its application by October 10, 2016 and that Staff be required to file a supplemental recommendation by October 28, 2016.

### **IV. CONCLUSION**

Staff respectfully requests the entry of an order consistent with the above discussion.

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<sup>2</sup> *Id.* (Water Utility Emergency Connection and Provisional Sale and Transfer Agreement for Sunset Park Water System) at 2.

<sup>3</sup> *Id.* at 3–4.

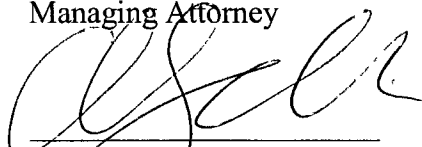
Date: September 22, 2016

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

Margaret Uhlig Pemberton  
Division Director

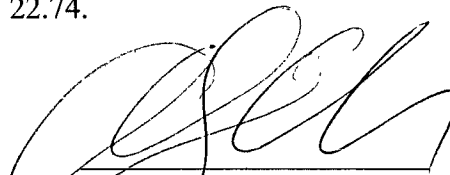
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CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on September 22, 2016 in accordance with 16 TAC § 22.74.

  
A. J. Smullen