



Control Number: 46851



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APPLICATION OF WATER §
NECESSITIES, INC. TO AMEND §
CERTIFICATES OF CONVENIENCE §
AND NECESSITY IN HARDIN COUNTY §

PUBLIC UTILITY COMMISSION
OF TEXAS

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**COMMISSION STAFF'S RECOMMENDATION ON ADMINISTRATIVE
COMPLETENESS**

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files Staff's Recommendation on Administrative Completeness. In support thereof, Staff shows the following:

I. BACKGROUND

On February 13, 2017, Water Necessities, Inc. (Applicant) filed an application with the Public Utility Commission of Texas to amend its water certificate of convenience and necessity (CCN) No. 12243 in Hardin County, Texas. Applicant seeks the amendment to provide water utility service to approximately 72 acres of land and 61 customers.

On February 15, 2017, the administrative law judge (ALJ) issued Order No. 1, requiring that Staff file comments on the administrative completeness of the application and proposed notice by March 15, 2017. The ALJ also ordered Staff to file a recommendation regarding how the petition should be processed and to propose a procedural schedule by March 15, 2017.

II. COMMENTS ON ADMINISTRATIVE COMPLETENESS

Staff has reviewed the application and, as supported by the attached memorandum from Patricia Garcia of the Commission's Water Utility Regulation Division, recommends that the application be found administratively deficient. Staff recommends that the Applicant submit the information listed in the attached memorandum.

III. PROPOSED PROCEDURAL SCHEDULE

Staff proposes the following procedural schedule:

Event	Date
Deadline for the Applicant to cure deficiencies	April 14, 2017
Deadline for Staff to file a supplemental recommendation on administrative completeness and proposed notice and proposed procedural schedule	May 15, 2017

IV. CONCLUSION

For the reasons detailed above, Staff recommends that the Applicant's application be found administratively deficient. Staff further recommends that the Applicant be directed to cure deficiencies as detailed above. Additionally, Staff recommends that Staff's proposed procedural schedule be adopted.

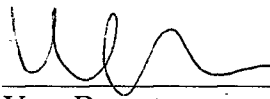
Dated: March 15, 2017

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
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DOCKET NO. 46851

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this the March 15, 2017, in accordance with 16 TAC § 22.74.


Vera Dygert

PUC Interoffice Memorandum

To: Vera Dygert, Attorney
Legal Division

Thru: Tammy Benter, Director
Lisa Fuentes, Manager
Heidi Graham, Manager
Water Utilities Division

From: Patricia Garcia, Staff Engineer
Water Utilities Division

Date: March 8, 2017

Subject: **Docket 46851**, *Application of Water Necessities, Inc. to Amend a Water Certificate of Convenience and Necessity in Hardin County*

On February 13, 2017, Water Necessities, Inc., (Applicant or Water Necessities) submitted an application to amend its water Certificate of Convenience and Necessity (CCN) No. 12243 in Hardin County pursuant to Texas Water Code Ann. (TWC) §§ 13.242 to 13.250 and the 16 Tex. Admin. Code (TAC) §§ 24.101 to 24.107.

Order No. 1 established deadlines for Staff to respond to the application by March 15, 2017. Based on a review of the information in the application, Staff recommends that the application be deemed insufficient for filing and found administratively incomplete due to the deficiencies detailed below.

Application Content:

The following information was not included in the application. Staff recommends the Applicant provide the following:

1. A copy of the Applicant's "Certification of Account Status" from the Texas Comptroller.
2. A listing of Stockholders and their respective percentages of ownership.
3. A copy of the Applicant's organizational chart.
4. A list of all directors and the title of each individual.
5. A list of all affiliated organizations (if any) and explain the affiliate's business relationship with the Applicant.
6. A signed agreement from North Hardin Water Supply Corp., CCN No. 11267, agreeing to the decertification of a portion of their water system.
7. A list of the connection count and capacity of the well(s), pressure tank(s), ground storage tank(s), and pump(s) at each water system.
8. The most recent Comprehensive Compliance Investigation from the Texas Commission on Environmental Quality (TCEQ) for each public water system. If no violations are noted, just the cover letter stating no violations found may be submitted.
9. A statement about how the TCEQ violations, if any noted from the investigation or currently open, will be addressed or proof that the violations have been resolved.

Financial:

The following information was not included in the application. Staff recommends the Applicant provide the following:

10. A profit and loss statement and current balance sheet for the existing systems.
11. A description of sources and terms of borrowed capital, such as loans, bonds or notes.

12. In lieu of providing the described information in 1 and 2, the Applicant may provide information concerning loan approvals within the last three years from lending institutions or agencies, including the most recent financial audit of the applicant.