

Control Number: 47899



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**DOCKET NO. 47899**

**APPLICATION OF KNOB HILL  
LAKE ESTATES WATER SYSTEM  
AND KNOB HILL WATER UTILITY  
CORP FOR SALE, TRANSFER, OR  
MERGER OF FACILITIES AND  
CERTIFICATE RIGHTS IN DENTON  
COUNTY**

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**PUBLIC UTILITY COMMISSION  
OF TEXAS**

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

**COMES NOW** the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and in response to Order No. 1, files this Recommendation on Administrative Completeness and Proposed Notice. Staff recommends that the application be deemed deficient and that the applicant be ordered to address the identified deficiencies. In support thereof, Staff shows the following:

**I. BACKGROUND**

On December 22, 2017, Knob Hill Lake Estates Water Utility Corp (Knob Hill Lake Estates or Buyer), and Knob Hill Water System (Knob Hill Water or Seller), (collectively, Applicants) filed an application for sale, transfer, or merger of facilities and certificate rights in Denton County.

On January 2, 2018, Order No. 1 was issued, establishing a deadline of January 22, 2018, for Staff to file a recommendation on the administrative completeness of the application and notice and propose a procedural schedule for further processing of the application.

**II. ADMINISTRATIVE COMPLETENESS**

As detailed in the attached memorandum from Debbie Reyes Tamayo in the Commission's Water Utility Regulation Division, Staff has reviewed the application and recommends that it be found administratively incomplete. Specifically, Staff has identified deficiencies in the mapping information submitted. Staff recommends that Applicants submit additional financial and mapping information, as further detailed in the attached memorandum. Applicant must also provide an executed agreement between both parties and the most recent inspection report from TCEQ.

Staff recommends that Applicants be required to cure the deficiencies by February 21, 2018, and that Staff file a supplemental recommendation on administrative completeness by March 23, 2018.

### **III. PROCEDURAL SCHEDULE**

Due to the deficiencies in the application, Staff does not recommend a procedural schedule for further processing on the merits at this time.

### **IV. CONCLUSION**

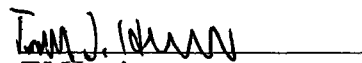
For the reasons discussed above, Staff recommends that the application be found administratively incomplete. Staff further recommends that the procedural schedule proposed above be adopted for further processing of this docket.

Respectfully Submitted,

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

Margaret Uhlig Pemberton  
Division Director

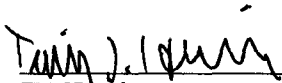
Stephen Mack  
Managing Attorney

  
TJ Harris  
State Bar No. 24097804  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326  
(512) 936-7216  
(512) 936-7268 (facsimile)  
TJ.Harris@puc.texas.gov

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**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on the January 22, 2018, in accordance with 16 TAC § 22.74.

  
TJ Harris