



Control Number: 47922



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DOCKET NO. 47922

**APPLICATION OF DAL-HIGH WATER §
LLC AND MONARCH UTILITIES I, §
L.P. FOR SALE, TRANSFER, OR §
MERGER OF FACILITIES AND §
CERTIFICATE RIGHTS IN §
HENDERSON 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 this Recommendation on Administrative Completeness and would show the following:

I. BACKGROUND

On January 3, 2018, Dal-High Water LLC and Monarch Utilities I, L.P. (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Henderson County. Specifically, Dal-High seeks approval to transfer all of its water service area under certificate of convenience and necessity No. 12830 to Monarch Utilities I, L.P. The total area being requested includes approximately 200 acres and services 46 current customers.

On January 10, 2018, the Administrative Law Judge issued Order No. 1 establishing a deadline of February 3, 2018, for Staff to file its recommendation on the administrative completeness of the application and the sufficiency of the proposed notice and to propose a procedural schedule. Therefore, this pleading is timely filed.

II. APPLICATION DEFICIENCY RECOMMENDATION

As further detailed in the attached memorandum of Fred Bednarski, of the Commission's Water Utility Regulation Division, Staff has reviewed the application and recommends that it be found administratively incomplete at this time. Staff recommends that the Applicants be ordered to cure the deficiencies identified in Mr. Bednarski's memorandum by March 5, 2018, and that Staff be given a deadline of March 30, 2018, to file a supplemental recommendation on the administrative completeness of the application. Staff notes that the Applicants should not issue notice until the application is found administratively complete.

III. COMMENTS ON PROCEDURAL SCHEDULE

In accordance with its deficiency recommendation, Staff does not propose a procedural schedule for further processing of this docket at this time. Staff intends to propose a procedural schedule alongside a subsequent recommendation for administrative completeness.

IV. CONCLUSION

For the reasons discussed above, Staff respectfully recommends that the application be found administratively incomplete at this time and that the Applicants be ordered to file a supplement addressing the identified deficiencies in the application by March 5, 2018.

Dated: February 1, 2018

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 February 1, 2018 in accordance with 16 TAC § 22.74.

A handwritten signature in black ink, appearing to read 'Joshua Barron', is written over a horizontal line.

Joshua Adam Barron

PUC Interoffice Memorandum

To: Joshua Barron
Legal Division

Thru: Lisa Fuentes, Manager
Water Utility Regulation Division

From: Fred Bednarski, Financial Examiner
Water Utility Regulation Division

Date: February 01, 2018

Subject: **Docket No. 47922**, *Application of Dal-High Water LLC and Monarch Utilities I, L.P. for Sale, Transfer, or Merger of Facilities and Certificate Rights in Henderson County*

On January 03, 2018, Monarch Utilities I, L.P., (Monarch or Buyer) and Dal-High Water LLC (Dal-High or Seller) (collectively, Applicants) filed an application for Sale, Transfer, or Merger (STM) of facilities and certificate rights in Henderson County, Texas, pursuant to Texas Water Code Ann. (TWC) § 13.301 and the 16 Tex. Admin Code (TAC) § 24.109. Specifically, Monarch seeks approval to acquire all facilities and cancel Dal-High's water Certificate of Convenience and Necessity (CCN) No. 12830. The requested area includes approximately 200 acres and 46 connections.

Staff has reviewed the information provided and recommends that the application be deemed administratively incomplete and insufficient for filing.

Application Content

The information list below must be provided in order for the application to be considered sufficient:

1. A copy of Dal-High's most recent approved tariff;
2. A copy of the agreement between parties, contingent contract, or other documents supporting the proposed transaction. (Do not execute the sale prior to PUC approval);
3. A copy of Dal-High's 2016 annual report;
4. Clarification of the difference in acreage as stated on page 20 of 23 of the application (200 acres) and the actual acreage to be transferred determined by staff (32 acres). The Applicant must state whether they are seeking to amend the requested area to be transferred or transfer the area as is.