



Control Number: 48060



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DOCKET NO. 48060

RECEIVED

APPLICATION OF DJL VENTURES, §
INC. DBA KAP WATER SUPPLY AND §
SWWC UTILITIES, INC. DBA WATER §
SERVICES, INC. FOR THE §
TRANSFER OF SERVICE AREA §
RIGHTS IN COMAL COUNTY §

2018 MAR 15 AM 9:49
PUBLIC UTILITY COMMISSION
FILING CLERK
OF TEXAS

COMMISSION STAFF'S 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 would show the following:

I. BACKGROUND

On February 13, 2018, DJL Ventures, Inc. d/b/a KAP Water Supply (KAP) and SWWC Utilities, Inc. d/b/a Water Services, Inc. (Water Services) (collectively, Applicants) filed an application for the transfer of service area rights in Comal County. Specifically, KAP seeks approval to transfer all of its water service area rights in Comal County to Water Services' Certificate of Convenience and Necessity (CCN) No. 11106. The total area being requested includes approximately 14 acres with no current customers.

On February 14, 2018, Order No. 1 was issued, establishing a deadline of March 15, 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. Therefore, this pleading is timely filed.

II. APPLICATION DEFICIENCY RECOMMENDATION

As detailed in the attached memorandum of Patricia Garcia in 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 Ms. Garcia's memorandum by April 12, 2018, and that Staff be given a deadline of May 10, 2018, to file a supplemental recommendation on the administrative

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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 deficiencies identified in the application by April 12, 2018.

Dated: March 15, 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 March 15, 2018, in accordance with 16 Texas Administrative Code § 22.74.


Eleanor D' Ambrosio
Eleanor D' Ambrosio

PUC Interoffice Memorandum

To: Eleanor D'Ambrosio
Legal Division

Thru: Lisa Fuentes, Manager
Water Utility Regulation Division

From: Patricia Garcia, Staff Engineer
Water Utility Regulation Division

Date: March 14, 2018

Subject: **Docket 48060**, *Application of DJL Ventures, Inc. dba Kap Water Supply and SWWC Utilities, Inc. dba Water Services, Inc. for the Transfer of Service Area Rights in Comal County*

On February 13, 2018, DJL Ventures, Inc. dba Kap Water Supply (Seller) and SWWC Utilities, Inc. dba Water Services, Inc. (SWWC or Buyer) (collectively, Applicants) filed an application for the transfer of service area rights in Comal County, Texas, pursuant to Texas Water Code Ann. (TWC) § 13.301 and the 16 Texas Administrative Code (TAC) § 24.109. Specifically, SWWC seeks approval to transfer water service area and cancel the exempt utility registration of the Seller, Exempt Registration No. N0064. The requested area includes approximately 14 acres and 0 connections.

Staff has reviewed the information provided by the Applicants and recommends the application be deemed administratively incomplete and not accepted for filing.

Application Content:

The Applicants must submit the following items to resolve application content deficiencies:

1. The public water system listed in response to Question 17.A, does not appear to be associated with either of the Applicants.
2. An estimate on the number of future customers in the service area.
3. Proof that either a preliminary engineering report or plans and specifications for the first phase of the system have been submitted to the TCEQ or state if 30 TAC § 290.39(j)(1)(D) applies.
4. Proof that the violations associated with each of the public water systems under CCN No. 11106 have been resolved.
5. A copy of the executed agreement signed by both parties.

Note: Any confidential items should be submitted as confidential filings with the PUC. The instructions for filing confidential documents can be found on our website at: (<http://www.puc.texas.gov/industry/filings/FilingProceed.aspx>).