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DOCKET NO. 48461

PETITION TO REVOKE L H L	§	PUBLIC UTILITY COMMISSION
INDUSTRIES, INC.'S CERTIFICATE	§	
OF CONVENIENCE AND NECESSITY	§	OF TEXAS
PURSUANT TO TEXAS WATER CODE	§	
§ 13.254 AND 16 TEXAS	§	
ADMINISTRATIVE CODE § 24.245	§	

DEFAULT ORDER

This Default Order addresses the amended petition of Commission Staff to revoke the water certificate of convenience and necessity (CCN) of L H L Industries, Inc. for violations of the Texas Water Code and Commission rules. The Commission grants the amended petition, by default, and revokes L H L's CCN number 11271.

I. Findings of Fact

The Commission makes the following findings of fact.

CCN Holder

1. L H L is registered with the Texas secretary of state as a domestic for-profit corporation under file number 30062600.
2. L H L is authorized to provide water service under CCN number 11271 in Brazoria County.

Commission Staff's Amended petition

3. On July 23, 2019, Commission Staff filed its amended petition in this proceeding, in which it seeks to revoke the CCN of L H L for failure to provide continuous and adequate water service.
4. The amended petition alleges that L H L is no longer providing and is incapable of providing continuous and adequate water service and, therefore, its CCN should be revoked under Texas Water Code (TWC) § 13.254(a)(1) and 16 Texas Administrative Code (TAC) § 24.245(i)(1)(A).
5. L H L's CCN was issued on November 1, 1979.
6. L H L underwent a tax forfeiture on March 16, 1981.
7. L H L's status with the Texas secretary of state is listed as inactive.

8. The Commission's records indicate that L H L is no longer in business and the facilities it used to provide water service are inactive.
9. L H L is no longer providing and is incapable of providing continuous and adequate water service.

Notice

10. The Commission's records list L H L's address as: 2935 Entex Building, Kinwood, Texas 77002.
11. On July 23, 2019, Commission Staff sent copies of the amended petition, by certified mail, return receipt requested, to: the address of L H L as shown in the Commission's records; and the address for L H L's registered agent for process, as shown in the records of the Texas secretary of state.
12. The amended petition notified L H L that it was entitled to request a hearing within 30 days after the filing of the amended petition, and included the following admonition, in at least 12-point, bold-face type:

The factual allegations listed in Commission Staff's Amended Petition and Notice of Opportunity for a Hearing could be deemed admitted and the relief sought herein could be granted by default if you fail to timely request a hearing.

Evidentiary Record

13. In Order No. 4 filed on September 9, 2019, the administrative law judge admitted, as evidence in the record of this proceeding, the affidavit of Tasha Lopez and the documents that are attached to Ms. Lopez's affidavit, attached to Commission Staff's second motion for entry of a default order filed on September 5, 2019.

The Motions for Default

14. On July 27, 2018, Commission Staff filed a motion for entry of a default order.
15. In Order No. 3 filed on July 22, 2019, the motion for default was denied because Commission Staff's original petition had not been mailed to the correct address.
16. On September 5, 2019, Commission Staff filed a second motion for entry of a default order.
17. The second motion for default was served on L H L in the same way that the amended petition was served.

Grounds for Default

18. More than 30 days have passed since service of the amended petition to L H L.
19. L H L did not request a hearing on the merits and did not respond to the amended petition.
20. More than 30 days have passed since service of the second motion for default.
21. L H L did not respond to the second motion for default.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. The Commission has jurisdiction over this matter under TWC § 13.254.
2. L H L is a retail public utility under 16 TAC § 24.3(59).
3. As the holder of CCN number 11271, L H L is obligated to serve every consumer within its certified area and render continuous and adequate service within the area under TWC § 13.250 and 16 TAC § 24.247.
4. Because L H L is no longer providing and is incapable of providing continuous and adequate service in the area covered by its CCN in violation of TWC § 13.250 and 16 TAC § 24.247, the Commission is entitled to revoke the CCN under TWC § 13.254(a)(1) and 16 TAC § 24.245(i)(1)(A).
5. Adequate notice was provided to L H L in compliance with 16 TAC §§ 22.54 and 22.183, and Texas Government Code § 2001.054.
6. L H L's failure to request a hearing within 30 days of the notice of an opportunity for a hearing qualifies this proceeding for disposition by default under 16 TAC § 22.183.

III. Ordering Paragraphs

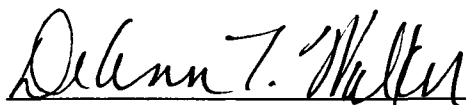
In accordance with these findings of fact and conclusions of law, the Commission issues the following orders:

1. The Commission deems the allegations in Commission Staff's amended petition as true.
2. The Commission takes official notice of its records that contain the address of L H L.
3. The motion for default is granted and L H L's CCN number 11271 is revoked.
4. The Commission directs Commission Staff to update its records accordingly.

5. The Commission is not constrained in any manner from requiring additional action or penalties for violations that are not raised here.
6. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the 15th day of November 2019.

PUBLIC UTILITY COMMISSION OF TEXAS



DEANN T. WALKER, CHAIRMAN



ARTHUR C. D'ANDREA, COMMISSIONER



SHELLY BOTKIN, COMMISSIONER