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DOCKET NO. 49176

**APPLICATION OF TROY HENRY FOR
TEMPORARY RATES FOR SERVICE
PROVIDED FOR A NONFUNCTIONING
UTILITY**

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PUBLIC UTILITY COMMISSION

2019 MAR -1 PM 2:54

OF TEXAS

COMMISSION
FILING CLERK

**COMMISSION STAFF'S AMENDED 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 in response to Order No. 1. In support thereof, Staff shows the following:

I. BACKGROUND

On February 5, 2019, Troy Henry (Henry), temporary manager of Tawakoni Waste, LLC ("Utility"), filed with the Public Utility Commission ("Commission" or "PUC") a request for a temporary rate increase pursuant to Texas Water Code Ann. (TWC) § 13.046 and 16 Tex. Admin. Code (TAC) § 24.363 (formerly 16 TAC § 24.147), in Hunt County, Texas. The Texas Commission on Environmental Quality issued an emergency order effective for the period of December 21, 2018 through June 19, 2019, appointing Henry as temporary manager of Utility.

On February 11, 2019, the administrative law judge (ALJ) issued Order No. 1 requiring Staff to file comments on the sufficiency of the application and propose a procedural schedule by March 14, 2019. This pleading is therefore timely filed. On March 1, 2019 Staff filed a Recommendation on Administrative Completeness recommending the application be found administratively complete. However, the necessary attachment to that pleading was inadvertently omitted. That attachment has been attached to this amended pleading.

**II. RECOMMENDATION ON SUFFICIENCY OF THE APPLICATION AND
NOTICE**

As supported by the attached memorandum of Patricia Garcia of the Water Utility Regulation Division, Staff recommends the application be found administratively complete and deemed sufficient for filing. Staff also recommends that Henry's provision of notice be deemed sufficient. Henry mailed notice to Utility's customers on February 1, 2019 in compliance with 16 TAC § 24.363 (formerly 16 TAC § 24.147). Staff further recommends that Henry be required to

file the information indicated in the attached memorandum and that Henry be allowed to begin collecting the proposed rate.

III. PROPOSED PROCEDURAL SCHEDULE

Staff proposes the following procedural schedule for use in this proceeding:

Event	Date
Deadline for the Applicant to file documentation requested by Commission Staff in the attached memorandum	March 18, 2019
Deadline for interested parties to file comments	March 18, 2019
Deadline for Commission Staff's recommendation on final disposition; deadline for Staff to request a hearing on the merits	April 1, 2019
Deadline for Applicant to respond to comment and Commission Staff recommendation or request for hearing, if needed; deadline for parties to file a proposed notice of approval including joint proposed findings of fact, conclusions of law, and ordering paragraphs	April 15, 2019
If applicable, administrative review completed 90 days from date Commission received notice of the temporary rate increase, per 16 TAC § 24.363	May 6, 2019

IV. CONCLUSION

For the reasons stated above, Staff respectfully requests the issuance of an order consistent with the above recommendation.

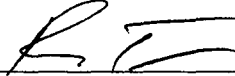
Dated: March 1, 2019

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Katherine Lengieza Gross
Managing Attorney



Rustin Tawater
State Bar No. 24110430
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7230
(512) 936-7268 (facsimile)
rustin.tawater@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 March 1, 2019 in accordance with 16 TAC § 22.74.



Rustin Tawater

Public Utility Commission of Texas

Memorandum

To: Rustin Tawater, Attorney
Legal Division

Thru: Tammy Benter, Director
Heidi Graham, Manager
Water Utility Regulation Division

From: Patricia Garcia, Engineering Specialist
Water Utility Regulation Division

Date: February 27, 2019

SUBJECT: **Docket No. 49176**, *Application of Troy Henry for Temporary Rates for Service Provided for a Nonfunctioning Utility*

Background:

On February 5, 2019, Troy Henry, temporary manager of Tawakoni Waste, LLC (“Utility”), sewer Certificate of Convenience and Necessity (CCN) No. 21072 filed with the Public Utility Commission (“Commission” or “PUC”) a request for a temporary rate increase pursuant to Texas Water Code Ann. (TWC) § 13.046 and 16 Tex. Admin. Code (TAC) § 24.363 (formerly 16 TAC § 24.147), in Hunt County, Texas.

The Texas Commission on Environmental Quality issued an emergency order effective for the period of December 21, 2018 through June 19, 2019, appointing Troy Henry, as temporary manager of Tawakoni Waste, LLC.

Troy Henry requests approval of a temporary rate increase for Tawakoni Waste, LLC customers in order to assure sufficient funds to keep the water system operating properly within regulatory requirements. In addition, the temporary rate increase will allow for compensation to the temporary manager to make emergency improvements on the system.

Recommendation:

Based on Staff’s review of the temporary manager’s request, Staff recommends the following:

- 1) The notice provided to the customers is sufficient for filing;
- 2) The request for a temporary rate increase be deemed reasonable and sufficient for filing;
- 3) The Commission approve implementation of the requested temporary flat rate of \$85.00 per connection per month effective February 1, 2019;

- 4) The Commission order Troy Henry to provide the following documentation for one full month of service:
- a) Operator costs incurred or expected;
 - b) Electric bills;
 - c) Laboratory sampling costs;
 - d) Costs of chemicals needed to operate the wastewater system; and
 - e) Any other expected monthly costs for operation of the wastewater system.