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DOCKET NO. 49879

APPLICATION OF SWIFT WATER § PUBLIC UTILITY COMMISSION
SUPPLY CORPORATION TO AMEND §
ITS WATER CERTIFICATE OF § OF TEXAS
CONVENIENCE AND NECESSITY IN §
NACOGDOCHES COUNTY §

**COMMISSION STAFF'S REVISED SECOND SUPPLEMENTAL
RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS AND PROPOSED
NOTICE**

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and files this Revised Second Supplemental Recommendation on Administrative Completeness and Proposed Notice in response to Order No. 4. Staff recommends that the application continue to be deemed insufficient for further review. In support thereof, Staff shows the following:

I. BACKGROUND

On August 21, 2019, Swift Water Supply Corporation (Swift) filed an application to amend its water certificate of convenience and necessity (CCN) No. 11420 in Nacogdoches County. The requested area consists of approximately 3,136 acres and 62 current customers. Swift filed supplemental information on October 14, 2019; December 16, 2019; and January 7, 2020.

Order No. 4 issued on January 3, 2020, required Staff to file a recommendation on administrative completeness by January 30, 2020. Staff previously filed this recommendation on January 30, 2020 without the memorandum of Nabaraj Pokharel. Staff now files this revised pleading which includes Mr. Pokharel's memorandum.

II. ADMINISTRATIVE COMPLETENESS

As detailed in the attached memorandum from Mr. Pokharel in the Commission's Infrastructure Division, Staff has reviewed the application and supplemental information and continues to recommend that it be found administratively incomplete. Staff recommends that Swift be ordered to cure the deficiencies identified in Mr. Pokharel's memorandum by March 2, 2020, and that Staff be given a deadline of April 1, 2020 to file a supplemental recommendation on the administrative completeness of the application. Swift should not issue notice until the application is found administratively complete.

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III. COMMENTS ON PROCEDURAL SCHEDULE

In accordance with Staff's deficiency recommendation, Staff does not propose a procedural schedule for further processing of the docket at this time. Staff intends to propose a procedural schedule alongside a subsequent recommendation for application sufficiency.

IV. CONCLUSION

For the reasons stated above, Staff respectfully recommends that the application continue to be found administratively incomplete at this time, that Swift be ordered to file a supplement addressing the identified deficiencies in the application by March 2, 2020.

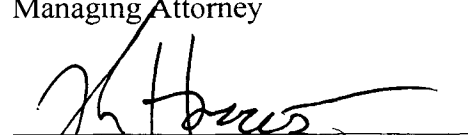
Dated: February 2, 2020

Respectfully submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Thomas S. Hunter
Division Director

Rachelle Nicolette Robles
Managing Attorney

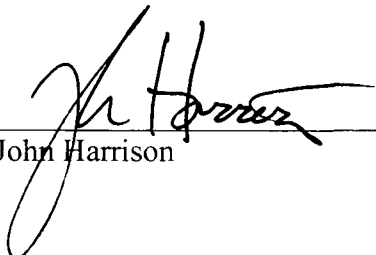
A handwritten signature in black ink, appearing to read "John Harrison", is written over a horizontal line.

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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 2, 2020 in accordance with 16 TAC § 22.74.



John Harrison

PUC Interoffice Memorandum

To: John Harrison, Attorney
Legal Division

From: Nabaraj Pokharel, Engineering Specialist
Infrastructure Division

Fred Bednarski, Financial Analyst
Rate Regulation Division

Date: January 30, 2020

Subject: **Docket 49879**, Application of Swift Water Supply Corporation to Amend its Water Certificate of Convenience and Necessity in Nacogdoches County

On August 21, 2019, Swift Water Supply Corporation (Swift Water or Applicant) filed with the Public Utility Commission of Texas (Commission) an application to amend its water Certificate of Convenience and Necessity (CCN) No. 11420 in Nacogdoches County, Texas pursuant to Texas Water Code Ann., (TWC) §§ 13.242 to 13.250 and the 16 Texas Administrative Code (TAC) §§ 24.225 to 24.237. The total service area being requested includes approximately 3,123 acres and 62 current customers.

Staff has reviewed the additional information filed by the Applicant on October 14, 2019, December 16, 2019 and January 7, 2020 and recommends that the application be deemed insufficient for filing and administratively incomplete. Staff found that Applicant has not provided adequate support for the need for service and the ability to provide water service to the entirety of the requested area as detailed below.

TWC § 13.246(c)(2) and 16 TAC § 24.227(d)(2) require the Commission to consider the need for additional service when granting or amending a CCN. TWC § 13.246(c)(4) and 16 TAC § 24.227(d)(4) require the Commission to consider an applicant's ability to provide service to the requested area. For this reason, Staff recommends that Applicant supplement their application to address the need for additional service and its ability to serve the entirety of the requested area. Specifically, Applicant must provide:

- A copy of construction approval letters from the Texas Commission on Environmental Quality for the necessary facilities, including distribution systems, that will serve the portion of the requested area that has no existing customers.
- Supplemental information as to whether Applicant's existing facilities have the capacity to provide water service within the requested area that has no existing customers.
- A copy of any developer agreements or requests for service within the requested area that has no existing customers.
- A capital improvement plan, including a budget, estimated timeline and the sources of funding for the construction of all facilities necessary to provide service to the requested area.