



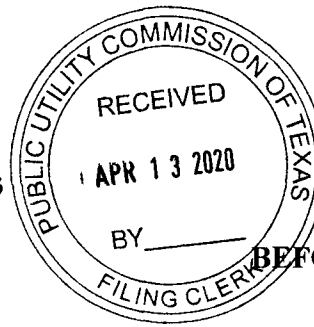
Control Number: 50543



Item Number: 6

Addendum StartPage: 0

DOCKET NO. 50543



APPLICATION OF SP UTILITY
COMPANY, INC. TO AMEND ITS
CERTIFICATE OF CONVENIENCE
AND NECESSITY AND FOR DUAL
CERTIFICATION WITH DREW T.
SPENCER D/B/A CYPRESSWOOD
ESTATES IN MONTGOMERY
COUNTY

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BEFORE THE
PUBLIC UTILITY COMMISSION
OF TEXAS

**SP UTILITY COMPANY, INC.'s RESPONSE TO COMMISSION STAFF'S
RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS AND PROPOSED
NOTICE**

COMES NOW, SP Utility Company, Inc. (hereinafter, "SP Utility"), and files this Response to Commission Staff's Recommendation on Administrative Completeness and Proposed Notice ("Recommendation") in the above-docketed case, and would respectfully show the following:

I. BACKGROUND

On February 12, 2020, SP Utility filed an application to amend its water Certificate of Convenience and Necessity ("CCN") No. 12978 and for dual certification with Drew T. Spencer d/b/a Cypresswood Estates Water System. On March 12, 2020, the Staff of the Public Utility Commission of Texas ("Commission") filed their Recommendation that the application be deemed administratively incomplete. On March 18, 2020, the Commission Administrative Law Judge ("ALJ") issued Order No. 2, finding the application administratively incomplete and establishing deadlines and an opportunity for SP Utility to cure. On April 10, 2020, SP Utility filed an amendment addressing issues raised in Commission Staff's Recommendation and memorandum. Therefore this pleading is timely filed.

II. ADMINISTRATIVE COMPLETENESS

Commission Staff's memorandum of March 12, 2020 recommended that SP Utility supplement its application with the following:

1. An agreement between SP Utility, Inc. and Cypresswood Estates Water System;

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2. An explanation of how service will be provided to the requested area by SP Utility, Inc.;
3. Clarification on the number of existing customers in both Cypresswood Estates and the FM 2854 tract ("Garden West");
4. SP Utility's 2018-2019 annual reports and most recent audited financial statements; and,
5. Appendix B of the application.

As indicated above, SP Utility's April 10, 2020, attached hereto as Exhibit A, addresses Commission Staff's recommendation.¹

III. PRAYER

WHEREFORE, PREMISES CONSIDERED, SP Utility respectfully prays that the Commission ALJ deems the application administratively complete and notice proper, and all other such relief to which it is entitled.

Respectfully submitted,

Randall B. Wilburn
State Bar No. 24033342
Helen Gilbert
State Bar No. 00786263
GILBERT WILBURN PLLC
7000 North MoPac Expwy., Suite 200
Austin, Texas 78731
Telephone: (512) 494-5341
Telecopier: (512) 472-4014

By: 

**ATTORNEYS FOR SP UTILITY COMPANY,
INC.**

¹ See Exhibit A, Application Amendment (April 10, 2020). Please note in accordance with 16 TAC § 22.71(d), annual reports were filed confidentially and via regular mail per Docket No. 50664. Also, Appendix B is being filed separately following the same protocol.

CERTIFICATE OF SERVICE

I hereby certify that I have served or will serve a true and correct copy of the foregoing document via electronic mail on all parties on the 10th day of April 2020 in accordance with the Order Suspending Rules, issued in Project No. 50664.

Helen S. Gilbert

By: _____
Helen S. Gilbert

DOCKET NO. 50543
EXHIBIT A

Helen S. Gilbert
hgilbert@gwtxlaw.com



Gilbert Wilburn, PLLC
ATTORNEYS AT LAW

Randall B. Wilburn, P.E.
rbw@gwtxlaw.com

April 10, 2020

Via Electronic Mail Only

Ms. Taylor Denison, Attorney
Legal Division
Public Utility Commission of Texas
1701 N. Congress Ave.
Austin, Texas 78711-3326

**Re: Application of SP Utility Company, Inc. to Amend CCN No. 12978 and
Request for Dual Certification with Drew T. Spencer d/b/a Cypresswood
Estates Water System**

Dear Ms. Denison,

In response to your Recommendation on Administrative Completeness and Patricia Garcia's memorandum of March 12, 2020, attached please find SP Utility Company, Inc.'s amended application and additional responsive information. Please note, SP Utility's 2018-2019 Annual Reports have been mailed to Central Records in accordance with the 16 TAC § 22.71(d) confidentiality requirements and filing procedures mandated by Docket No. 50664.

As it pertains to CCN Application question 11, please further note that SP Utility intends to replace the entire Cypresswood Water System with its own system including: 1) new bolted 30,000 gallon ground storage tank; 2) new 3,000 gallon steel asme-certified pressure tank; 3) 2, 150-gallon per minute service pumps; 4) 1-2 new groundwater wells producing a minimum of 100 gallons per minute; 5) new control panels and electrical system for the entire plant; and, 6) a new building for electrical controls and service pump. Until plans and specifications for these facilities are submitted to and approved by TCEQ and the new system is completed, SP Utility intends to use the current facilities on a temporary basis to serve the 144 Cypresswood and 7 Garden West active customers.

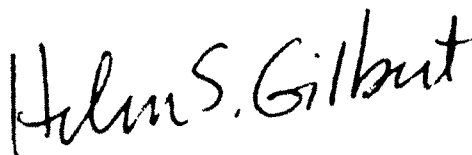
Finally, in lieu of an agreement, SP Utility is providing owner Brent Davis' affidavit which reasonably evidences his consent to the dual certification. As we have discussed previously, Mr. Davis has long welcomed the transfer of facilities and operation to Harrison Williams through whatever process was amenable to Mr. Williams and the Commission.

DOCKET NO. 50543
EXHIBIT A

Ms. Taylor Denison
Page 2 of 2

Please let me know if you have any questions or need any additional information.

Sincerely,

A handwritten signature in black ink that reads "Helen S. Gilbert". The signature is written in a cursive, flowing style.

Helen S. Gilbert

Attorney for SP Utility Company, Inc.

Enclosures

cc: Harrison Williams

EXHIBIT A

Part B: Requested Area Information

6. Provide details on the existing or expected land use in the requested area, including details on requested actions such as dual certification or decertification of service area.

The existing system was deemed nonfunctioning and placed under temporary management. The temporary manager, Harrison Williams, is also the owner of SP Utility Company, Inc. Applicant is requesting that the entire service area be dually certified with current CCN holder. The existing CCN holder, Drew T. Spencer, is deceased. The land use is not expected to change.

7. The requested area (check all applicable):

- ☐ Currently receives service from the Applicant ☐ Is being developed with no current customers
☐ Overlaps or is within municipal boundaries ☐ Overlaps or is within district boundaries

Municipality: _____ District: _____

Provide a copy of any franchise, permit, or consent granted by the city or district. If not available please explain:

N/A

8. Describe the circumstances (economic, environmental, etc.) driving the need for service in the requested area:

The existing system is under temporary management. The temporary manager, Harrison Williams, is also the owner of SP Utility Company, Inc. Applicant is well position to provide quality servie and bring the nonfunctioning system up to PUC and TCEQ minimum standards.

9. Has the Applicant received any requests for service within the requested area?

☐ Yes* ☒ No *Attach copies of all applicable requests for service and show locations on a map

10. Is there existing or anticipated growth in the requested area?

☐ Yes* ☒ No *Attach copies of any reports and market studies supporting growth

11. A. Will construction of any facilities be necessary to provide service to the requested area?

☒ Yes* ☐ No *Attach copies of TCEQ approval letters

B. Date Plans & Specifications or Discharge Permit App. submitted to TCEQ: Applicant will replace the entire system.

DOCKET NO. 50543
EXHIBIT A

STATE OF TEXAS

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MONTGOMERY COUNTY

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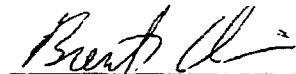
AFFADAVIT OF BRENT DAVIS

Before me, the undersigned notary, on this day personally appeared Brent Davis, a person whose identity is known to me. After I administered an oath to Brent Davis, upon his oath, he said:

"My name is Brent Davis. I am over 18 years of age, of sound mind, and capable of making this affidavit. The facts stated in this affidavit are within my personal knowledge and are true and correct.

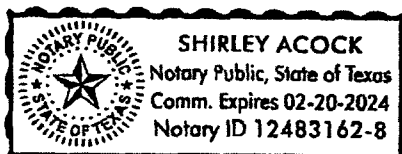
Cypresswood Estates Water System ("Cypresswood Estates Water System") was originally owned and operated by my uncle, Drew T. Spencer under Certificate of Convenience and Necessity ("CCN") No. 12498 issued in 1991. The real property as well as the water system and all equipment related to the water system were deeded to me upon my uncle Drew T. Spencer's death in 2005 which I operated until December 2, 2019, when Harrison Williams was appointed the temporary manager of the system by the Public Utility Commission of Texas ("Commission"). Mr. Williams is president of S.P. Utility Company, Inc. which has filed a request with the Commission to amend its existing water CCN No. 12978 to include the territory within CCN No. 12498. In accordance with Commission rule 16 TAC § 24.251, I consent to additional or dual certification to the area currently served under CCN No. 12498 and believe it should be granted to S.P. Utility Company, Inc., a Class D utility that can provide continuous and adequate water service to the Cypresswood Estates Water System customers. I consent to dual certification of S.P. Utility Company, Inc. for the area currently certificated under CCN No. 12498."


Further affiant sayeth not.


Brent Davis

Given under my hand and seal of office on February 12, 2020.

[Seal]




Notary Public, State of Texas

DOCKET NO. 50543

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CERTIFICATE OF CONVENIENCE	§	
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Helen S. Gilbert

By: _____

Helen S. Gilbert

Helen S. Gilbert
hgilbert@gwtxlaw.com



Gilbert Wilburn, PLLC
ATTORNEYS AT LAW

Randall B. Wilburn, P.E.
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Via Electronic Mail Only

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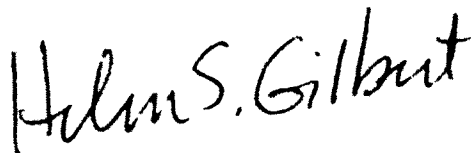
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Ms. Taylor Denison
Page 2 of 2

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STATE OF TEXAS

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MONTGOMERY COUNTY

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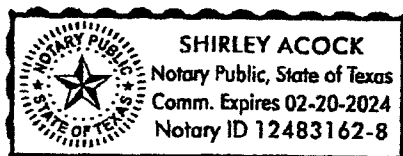
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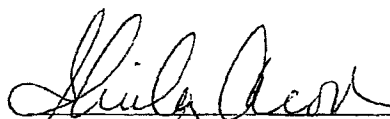
Further affiant sayeth not.


Brent Davis

Given under my hand and seal of office on February 12, 2020.

[Seal]




Notary Public, State of Texas