



Control Number: 50543



Item Number: 9

Addendum StartPage: 0



DOCKET NO. 50543

APPLICATION OF SP UTILITY, INC.	§	PUBLIC UTILITY COMMISSION
TO AMEND ITS CERTIFICATE OF	§	
CONVENIENCE AND NECESSITY AND	§	OF TEXAS
FOR DUAL CERTIFICATION WITH	§	
DREW T. SPENCER DBA	§	
CYPRESSWOOD ESTATES IN	§	
MONTGOMERY COUNTY	§	

**COMMISSION STAFF'S SUPPLEMENTAL RECOMMENDATION ON
ADMINISTRATIVE COMPLETENESS OF THE APPLICATION**

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and in response to Order No. 2, files this Supplemental Recommendation on Administrative Completeness of the Application. Staff continues to recommend that the application be deemed deficient and that SP Utility, Inc. be ordered to address the identified deficiencies. In support thereof, Staff shows the following:

I. BACKGROUND

On February 12, 2020, SP Utility, Inc. (SP Utility or Applicant) filed an application to amend its water Certificate of Convenience and Necessity (CCN) No. 12978 and for dual certification with Drew T. Spencer dba Cypresswood Estates Water System in Montgomery County, Texas. The requested area consists of 253 acres and approximately 150 customer connections. The Applicant filed supplemental information on April 10, 2020, April 13, 2020, and April 16, 2020.

On March 18, 2020, the administrative law judge (ALJ) issued Order No. 2, establishing a deadline of May 8, 2020 for Staff to file its supplemental recommendation on the administrative completeness of the application and propose a procedural schedule, if appropriate. Therefore, this pleading is timely filed.

II. ADMINISTRATIVE COMPLETENESS

Staff has reviewed the application and supplemental information filed in this docket and, as detailed in the attached memorandum from Patricia Garcia, Infrastructure Division, recommends that it continue to be found administratively incomplete at this time. Staff recommends that the Applicant be ordered to cure the deficiencies identified in Ms. Garcia's

memorandum by June 8, 2020, and that Staff be given a deadline of July 8, 2020, to file a supplemental recommendation on the administrative completeness of the application. Staff notes that the Applicant should not issue notice until the application is found administratively complete.

III. COMMENTS ON PROCEDURAL SCHEDULE

In accordance with Staff's 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 application sufficiency.

IV. CONCLUSION

For the reasons discussed above, Staff respectfully recommends that the application, as supplemented, be found administratively incomplete at this time and that the Applicant be ordered to file a supplement addressing the identified deficiencies by June 8, 2020.

Dated: May 8, 2020

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Rachelle Nicolette Robles
Division Director

Heath D. Armstrong
Managing Attorney

/s/ Taylor P. Denison

Taylor P. Denison
State Bar No. 24116344
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7203
(512) 936-7268 (facsimile)
taylor.denison@puc.texas.gov

DOCKET NO. 50543

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on May 8, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Taylor P. Denison

Taylor P. Denison

PUC Interoffice Memorandum

To: Taylor Denison, Attorney
Legal Division

From: Patricia Garcia, Engineering Specialist
Infrastructure Division

Date: May 8, 2020

Subject: **Docket No. 50543**, *Application of SP Utility, Inc. to Amend its Certificate of Convenience and Necessity and for Dual Certification with Drew T. Spencer dba Cypresswood Estates in Montgomery County*

On February 12, 2020, SP Utility, Inc. (Applicant) filed with the Public Utility Commission of Texas (Commission) an application to amend its water Certificate of Convenience and Necessity (CCN) No. 12978 and for dual certification with Drew T. Spencer dba Cypresswood Estates Water System in Montgomery County, Texas pursuant to Texas Water Code (TWC) §§ 13.242 to 13.250 and 16 Texas Administrative Code (TAC) §§ 24.225 to 24.237.

Staff has reviewed the additional information provided by the Applicant on April 10, April 13, and April 16, 2020 and recommends that the application be deemed administratively incomplete and not accepted for filing.

The Applicant has stated it intends to replace the whole public water system with new facilities to serve the area. The Applicant states plans have not been submitted to the Texas Commission on Environmental Quality (TCEQ) for the requested area. The PUCT cannot recommend that an application is administratively complete until the Applicant has submitted proof that the plans and specifications for the proposed new facilities have been submitted to the TCEQ. In order to finalize approval of the CCN amendment, construction must be approved by the TCEQ and the construction approval letters must be filed in this docket per 16 TAC § 24.233(a)(14). If the Applicant intends to move forward with this application, Staff recommends the Applicant submit proof that the plans have been submitted to the TCEQ for approval.

Additionally, the Applicant should note that if any portion of Cypresswood Estates' facilities are going to be used to serve the customers, the facilities must be transferred through a Sale, Transfer, Merger (STM) application.