



Control Number: 50792



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DOCKET NO. 50792

**PETITION OF VAL VERDE
UTILITY COMPANY, LLC TO
DECERTIFY ITS CERTIFICATED
WATER AREA AND CANCEL ITS
WATER CERTIFICATE OF
CONVENIENCE AND NECESSITY
IN VAL VERDE COUNTY**

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**PUBLIC UTILITY COMMISSION
OF TEXAS**

**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO VAL VERDE UTILITY COMPANY, LLC
QUESTION NO. STAFF 1-1**

Pursuant to 16 Texas Administrative Code (TAC) § 22.144 of the Commission's Procedural Rules, the Staff of the Public Utility Commission of Texas (Staff) requests that Val Verde Utility Company, LLC by and through their attorneys of record, provide the following information and answer the following question(s) under oath. The question(s) shall be answered in sufficient detail to fully present all of the relevant facts, within the time limit provided by the Presiding Officer or within 20 days, if the Presiding Officer has not provided a time limit. Please copy the question immediately above the answer to each question. These question(s) are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer. State the name of the witness in this cause who will sponsor the answer to the question and can vouch for the truth of the answer.

Provide responses to the Requests for Information by filing with the Commission solely through the Interchange on the Commission's website and provide notice, by email, to all other parties that the pleading or document has been filed with the Commission, unless otherwise ordered by the presiding officer pursuant to the Order Suspending Rules in Docket No. 50664.

Dated: July 16, 2020

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Rachelle Nicolette Robles
Division Director

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Managing Attorney

/s/Courtney Dean
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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 July 16, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/Courtney Dean
Courtney N. Dean

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**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO VAL VERDE UTILITY COMPANY, LLC
QUESTION NO. STAFF 1-1**

DEFINITIONS

- 1) "Val Verde," or "you" refers to Val Verde Utility Company, LLC and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.

- 2) "Document" includes any written, recorded, or graphic matter, however produced or reproduced, including but not limited to correspondence, telegrams, contracts, agreements, notes in any form, memoranda, diaries, voice recording tapes, microfilms, pictures, computer media, work papers, calendars, minutes of meetings or other writings or graphic matter, including copies containing marginal notes or variations of any of the foregoing, now or previously in your possession. In the event any documents requested by this Request for Information have been transferred beyond the Company's control, describe the circumstances under which the document was destroyed or transferred and provide an exact citation to the subject document. In the event that documents containing the exact information do not exist, but documents do exist which contain portions of the required information or which contain substantially similar information, then the definition of "documents" shall include the documents which do exist and these documents will be provided.

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**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO VAL VERDE UTILITY COMPANY, LLC
QUESTION NO. STAFF 1-1**

INSTRUCTIONS

- 1) Pursuant to 16 TAC § 22.144(c)(2), Staff requests that answers to the requests for information be made under oath.
- 2) Please copy the question immediately above the answer to each question. State the name of the witness in this cause who will sponsor the answer to the question and can vouch for the truth of the answer.
- 3) These questions are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer.
- 4) Words used in the plural shall also be taken to mean and include the singular. Words used in the singular shall also be taken to mean and include the plural.
- 5) The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.
- 6) If any document is withheld under any claim of privilege, please furnish a list identifying each document for which a privilege is claimed, together with the following information: date, sender, recipients or copies, subject matter of the document, and the basis upon which such privilege is claimed.
- 7) Pursuant to 16 TAC § 22.144(h)(4), if the response to any request is voluminous, please provide a detailed index of the voluminous material.
- 8) Staff requests that each item of information be made available as it is completed, rather than upon completion of all information requested.

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**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO VAL VERDE UTILITY COMPANY, LLC
QUESTION NO. STAFF 1-1**

- Staff 1-1** In determining whether to authorize a retail public utility to discontinue, reduce, or impair retail water or sewer utility service, the Commission is provided a non-exhaustive list of factors to consider under 16 TAC § 24.249(i). Based on the enumerated factors, please provide the following information:
- a) The effect of this petition being granted on the landowners in the service area;
 - b) If any issue regarding compliance with any applicable statute, rule, or regulation exists, identify the issue and any expected costs necessary to bring the system into compliance;
 - c) Steps taken by Val Verde to locate alternate sources of service;
 - d) Whether there have been any efforts to sell the utility, such as running advertisements, contacting other retail public utilities, or discussing cooperative organization with the customers;
 - e) If any attempt to sell the utility has been made, the asking price for purchase of the utility as it relates to the undepreciated original cost of the system for ratemaking purposes. If no attempt to sell the utility has been made, please explain why;
 - f) The relationship, if any, between Val Verde and the original developer of the area;
 - g) The availability of alternative sources of service, such as adjacent retail public utilities or groundwater; and
 - h) The feasibility of landowners obtaining service from alternative sources and the length of time before full service can be provided.