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Filing Date - 2024-06-25 11:20:11 AM

Control Number - 52370

Item Number - 136

BEFORE THE
STATE OFFICE OF ADMINISTRATIVE
HEARINGS

APPLICATION OF EAST HOUSTON UTILITIES, INC. FOR
AUTHORITY TO CHANGE RATES

SOAH ORDER NO. 12

ADMITTING EVIDENCE AND REQUIRING RESPONSE

On May 20, 2024, East Houston Utilities, Inc. (EHU) and the staff (Staff) of the Public Utility Commission of Texas (Commission), and intervenors Lauren Hood, Wesley Francis, Barry Evans, and J.D. and Mona Keller (together with Staff and EHU, the Settling Parties) filed a Joint Notice of Stipulation and Agreed Motion to Dismiss, stating that the parties had reached a settlement and requesting that intervenor Gary Lechner be dismissed as a party. On June 7, 2024, the Settling Parties filed a Joint Motion to Admit Evidence and Remand. No objections were filed against either motion.

For the reasons stated below, the motion to dismiss Mr. Lechner is **DENIED**. The motion to admit evidence and remand is **GRANTED in part**. The Administrative Law Judge (ALJ) withholds ruling on the request to remand the proceeding until the July 1, 2024 deadline ordered below has passed.

I. ADMITTING EVIDENCE

As requested by the Settling Parties, the following evidence is **ADMITTED** into the record:

Item #	File Stamp	Filing Party	Filing Description
1	7/29/21	EHU	Application of East Houston Utilities Inc. for Authority to Change Rates
7	9/21/21	EHU	1. Notice of Proposed Rate Change to Customers 2. VOA Notary Signed 3. Pg.1 of Application (1.F) 4. VII-2 5. VI-3 6. VI-1 7. Balance Sheet & Profit and Loss Statement for 2020
8	9/24/21	EHU	RAF Paid from 2017-2020
9	10/13/21	EHU	Complaint List
14	12/1/21	EHU	Answers to Questions for the November 4, 2021 Memo
19	1/26/22	EHU	Answers to Memo January 12, 2022
22	4/5/22	EHU	Answers to March 11, 2022 Memo
23	4/29/22	PUC Legal	Commission Staff's Supplemental Recommendation on Administrative Completeness
25	5/4/22	EHU	Affidavit Revised
60	8/25/22	EHU	Filing of affidavit and notice of hearing sent to customers.
63	10/24/22	EHU	Direct Testimony
64	11/18/22	PUC Legal	Revenue Requirement Phase Direct Testimony of Mark Filarowicz
65	11/18/22	PUC Legal	Confidential- Revenue Requirement Phase

Item #	File Stamp	Filing Party	Filing Description
			Confidential Workpapers of Mark Filarowicz Bate Stamp - 1 to 63
66	11/18/22	PUC Legal	Revenue Requirement Phase Public Workpapers of Mark Filarowicz
67	11/18/22	PUC Legal	Direct Testimony of Frederick Quijano
82	5/26/23	PUC Legal	Amended FQ-1 to Frederick Quijano Direct Testimony
86	5/30/23	PUC Legal	Commission Staff's First Request for Information to East Houston Utilities, Inc. Question Nos. Staff 1-1 through 1-11
87	5/31/23	EHU	Answers to RFI 5/30/2023
89	6/9/23	PUC Legal	Direct Testimony of Frederick Quijano, Rate Regulation Division, Public Utility Commission of Texas, June 9, 2023
90	6/9/23	PUC Legal	Rate Design Schedule
92	6/15/23	EHU	Pleading for Temporary Rates
95	6/16/23	PUC Legal	Commission Staff's Unopposed Motion to Set Interim Rates and Motion for Abatement
100	8/29/23	PUC Legal	Memo with Clean Copies of Tariff
105	9/14/23	EHU	CCN 12042 Cover sheet and monthly P&L statements just for CCN 12042 for 2022.
108	9/17/23	EHU	Attn: SOAH
111	9/29/23	Stacy Evans	Testimony and Recommended Rate Request
112	10/22/23	EHU	P&L 2020- All Companies
113	10/25/23	EHU	Cost Allocation Methods
115	1/5/24	PUC Legal	Commission Staff's Second Request for Information to East Houston Utilities, Inc. Questions Nos. Staff 2-1 through Staff 2-3
116	1/8/24	EHU	Answers to Staff's RFIs on 1/5/2024
118	1/16/24	EHU	Direct Testimony
120	2/12/24	PUC Legal	Supplemental Direct Testimony of Frederick Quijano
121	2/23/24	EHU	Response to Mr. Quijano's Direct Testimony
130	5/20/24	EHU	Joint Notice of Stipulation and Agreed Motion to Dismiss
131	5/20/24	EHU	Unanimous Stipulation and Settlement

Item #	File Stamp	Filing Party	Filing Description
			Agreement
133	5/31/24	PUC Legal	Commission Staff's Memorandum in Support of Unanimous Stipulation and Settlement Agreement
134	6/7/24	EHU	Direct Testimony of Stephen P. Krebs in Support of Unanimous Stipulation and Settlement Agreement
135	6/7/24	EHU	Proposed Final Order

II. DENYING REQUEST TO DISMISS INTERVENOR

The Settling Parties move to dismiss Mr. Lechner as an intervenor. As set out in the motion and attached affidavit, Mr. Lechner did not file direct testimony or a statement of position by either the October 28, 2022 deadline or the subsequent January 29, 2024 deadline. In addition, EHU reports that Mr. Lechner is not a current customer of EHU and has moved out of the EHU service area.

It is apparent from the administrative and evidentiary records that Mr. Lechner has not actively participated in this proceeding. The ALJ will provide a final opportunity for participation. Mr. Lechner has **until July 1, 2024**, to file notice in this docket stating whether he is opposed or unopposed to the Unanimous Stipulation and Settlement Agreement. If no response is received, the ALJ will grant the Settling Parties' request to remand the proceeding so that they may present their Unanimous Stipulation and Settlement Agreement to the Commission for further processing. Accordingly, the request to dismiss Mr. Lechner is **DENIED**.

Signed June 25, 2024

ALJ Signature(s):

A handwritten signature in black ink, appearing to read "Daniel Wiseman", is written over a solid horizontal line.

Daniel Wiseman,

Presiding Administrative Law Judge