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DOCKET NO. 52370

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APPLICATION OF EAST HOUSTON UTILITIES INC. FOR AUTHORITY TO CHANGE RATES **PUBLIC UTILITY COMMISSION**

OF TEXAS

COMMISSION STAFF'S SUPPLEMENTAL RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS

On July 29, 2021, East Houston Utilities Inc. (East Houston) filed an application for authority to change rates under Texas Water Code (TWC) §§ 13.1871 and 13.1872(c)(2) for its certificate of convenience and necessity (CCN) number 12042.

On January 24, 2022, the administrative law judge (ALJ) filed Order No. 6 and set a deadline of February 11, 2022 for East Houston to file documentation supplementing its application, and March 12, 2022 for Staff to file a supplemental recommendation regarding administrative completeness and propose a procedural schedule, if appropriate. Therefore, this pleading is timely filed.

I. ADMINISTRATIVE COMPLETENESS

Staff has reviewed the application as supplemented by East Houston. As detailed in the attached memorandum Leila Guerrero, Rate Regulation Division, Staff recommends that the ALJ find the application be deemed administratively complete. Staff's recommendation on administrative completeness is not a comment on the merits of the application, and Staff reserves the right to require East Houston to supplement the application accordingly.

Staff further recommends that the effective date for all proposed rates remain suspended through the pendency of this case as allowed by TWC § 13.1871(g) and 16 Texas Administrative Code (TAC) § 24.33(a)(2). East Houston's proposed effective date is June 1, 2022.

II. PROCEDURAL SCHEDULE

In accordance with Staff's sufficiency recommendation, Staff proposes the following procedural schedule:

| Event | Date |
|--|--------------------|
| Proposed effective date of rate change | June 1, 2022 |
| Deadline to intervene, comment, or request a hearing (90 days from the effective date of June 1, 2022) ¹ | August 30, 2022 |
| Deadline for Staff to request a hearing or file a recommendation on final disposition | May 25, 2022 |
| Deadline for East Houston to respond to Staff's recommendation, or, of no disputed issues exist, deadline for parties to file proposed findings of fact, conclusions of law, and ordering paragraphs | June 3, 2022 |
| Deadline for the Commission to set the matter for a hearing on its own motion (120 th day after the effective date) ² | September 29, 2022 |

III. CONCLUSION

For the reasons detailed above, Staff recommends that the application be found administratively complete, that the Applicant be required to provide revised notice, and that the procedural schedule proposed above be adopted for further processing of this matter.

 $^{^1}$ In accordance with 16 TAC § 24.35(c)(2), if during the first 90 days after the effective date of the rate change the Commission receives a complaint from any affected municipality, or protests from the lesser of 1,000 or 10% of the ratepayers of the utility over whose rates the Commission has original jurisdiction, the Commission shall set the matter for hearing.

² 16 TAC § 24.35(c)(1).

Dated: April 29, 2022

Respectfully submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Keith Rogas Division Director

Marisa Lopez Wagley Managing Attorney

/s/ Kevin R. Bartz

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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 April 29, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Kevin R. Bartz
Kevin R. Bartz

Public Utility Commission of Texas

Memorandum

TO: Kevin Bartz, Attorney

Legal Division

FROM: Leila Guerrero, Regulatory Accountant

Rate Regulation Division

DATE: April 29, 2022

SUBJECT: Docket No. 52370 - Application of East Houston Utilities Inc. for Authority to

Change Rates

On July 29, 2021, East Houston Utilities, Inc. (East Houston), a Class D water utility with 23 active connections, filed a Class C Rate Change Application for water utility service provided under Certificate of Convenience and Necessity (CCN) No. 12042 in Harris County, Texas. I have conducted an administrative review of the application and notice according to Texas Water Code (TWC) § 13.1871, § 13.1872(c)(2), and 16 Texas Administrative Code (TAC) §§ 24.25 through 24.33.

Based on a review of the initial application and supplemental information filed on September 21, 2021, September 24, 2021, October 13, 2021, December 1, 2021, January 26, 2022, and April 5, 2022, I recommend that the application be deemed sufficient for filing and found administratively complete.

I also recommend that the effective date for the proposed rates remain suspended through the pendency of this case as allowed by TWC §13.1871(g) and TAC §24.33(a)(2), or until an interim rate is requested and approved.

cc: Anna Givens, Director Financial Review Marisa Wagley, Managing Attorney