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DOCKET NO. 52445

APPLICATION OF HYDROTEX, LLC	§	PUBLIC UTILITY COMMISSION
FOR A CERTIFICATE OF	§	
CONVENIENCE AND NECESSITY IN	§	OF TEXAS
LIBERTY COUNTY	§	

COMMISSION STAFF’S LIST OF ISSUES

On August 18, 2021, HydroTex, LLC (HydroTex) filed an application to obtain a water Certificate of Convenience and Necessity (CCN) in Liberty County. The application requests a service area that includes 89 acres and 120 proposed connections.

On October 10, 2022, the Office of Policy and Docket Management (OPDM) filed an Order Requesting Lists of Issues, establishing a deadline of October 27, 2022, for the parties, including Staff (Staff) of the Public Utility Commission (Commission), to file lists of issues. Therefore, this pleading is timely filed.

I. PROPOSED LIST OF ISSUES

Staff has identified the following issues be addressed in this docket:

1. Have the requirements for informal disposition in 16 Texas Administrative Code (TAC) § 22.35 been met in this proceeding?
2. Is SVAG Investments, LLC an affiliated interest or an affiliate of Hydrotex, LLC under 16 TAC § 24.3(3)? If so, has Hydrotex satisfied both the leverage and operation tests under 16 TAC § 24.11(e)?
3. Does the Commission have authority over this proceeding under Texas Water Code (TWC) §§ 13.041, 13.241, 13.244, and 13.246?
4. Is HydroTex a retail public utility as defined by TWC § 13.002(19) and 16 TAC 24.3(31)?
5. Does HydroTex’s application meet the requirements of TWC § 13.244 and 16 TAC §§ 24.227, and 24.233?
6. Did Hydrotex provide notice of the application that complies with TWC § 13.246 and 16 TAC § 24.235?

7. Did the Commission process the application in accordance with the requirements of the Administrative Procedure Act,¹ the TWC, and Commission rules?
8. After consideration of the factors in TWC §§ 13.241(c), 13.246(c) and 16 TAC § 24.227(e), did Hydrotex demonstrate adequate financial, managerial, and technical capability to provide continuous and adequate service in the requested service area in Liberty County, as required by TWC § 13.241 and 16 TAC § 24.227?
9. Do regionalization and consolidation concerns under TWC § 13.241(d) apply in this proceeding because of construction of a physically separate wastewater system?
10. Is it necessary for Hydrotex to provide a bond or other financial assurance under TWC § 13.246(d) and 16 TAC § 24.227(d)?
11. Has Hydrotex demonstrated that issuance of a CCN is necessary for the service, accommodation, convenience, or safety of the public as required by TWC § 13.246(b) and 16 TAC § 24.227(d)?
12. Does Hydrotex meet the requirements of TWC § 13.241(c) to provide water utility service?

II. ISSUES NOT TO BE ADDRESSED

Staff has not identified any issues not to be addressed.

III. CONCLUSION

Staff respectfully requests that the Commission issue a Preliminary Order including the above issues to be addressed in this proceeding.

¹ Tex. Gov't Code §§ 2001.001-903.

Dated: October 26, 2022

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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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 October 26, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Phillip Lehmann
Phillip Lehmann