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DOCKET NO. 52445

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

**COMMISSION STAFF’S SUPPLEMENTAL RECOMMENDATION ON
ADMINISTRATIVE COMPLETENESS AND SUFFICIENCY OF NOTICE AND
PROPOSED PROCEDURAL SCHEDULE**

I. BACKGROUND

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 88 acres and 120 proposed connections.

On February 8, 2023, the administrative law judge (ALJ) filed Order No. 11, establishing a deadline of March 10, 2023, for the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a supplemental recommendation on the administrative completeness of the application and sufficiency of the notice, along with a procedural schedule. Therefore, this pleading is timely filed.

II. ADMINISTRATIVE COMPLETENESS

Staff has reviewed the application and supplemental information and, as detailed in the attached memoranda from Fred Bednarski III of the Rate Regulation Division and Patricia Garcia of the Infrastructure Division, Staff recommends that the application be found administratively complete. Staff’s recommendation on administrative completeness is not a comment on the merits of the application.

III. NOTICE

Staff has reviewed the previous notice published and provided to the cities, districts, neighboring retail public utilities application, and county judge by HydroTex and recommends that the previous notice be deemed sufficient. Furthermore, as detailed in Ms. Garcia’s memorandum, Staff respectfully recommends that HydroTex be ordered to provide notice, using the attached notice form, to each landowner of a tract of land that is at least 25 acres and is wholly or partly located in the requested area.

IV. PROCEDURAL SCHEDULE

Staff recommends the application be found administratively complete. Staff therefore proposes the following procedural schedule:

Event	Date
Deadline for HydroTex to file with the Commission signed affidavits that the notice was given along with a copy of the notice and map sent to the landowners	April 24, 2023
Deadline for Staff to file a recommendation on sufficiency of notice to the landowners	May 4, 2023
Deadline to intervene	30 days after notice is issued

V. CONCLUSION

For the reasons detailed above, Staff recommends that the application be found administratively complete, that HydroTex be directed to provide notice as described in Ms. Garcia's attached memorandum, and that the proposed procedural schedule be adopted. Staff respectfully requests the entry of an order consistent with these recommendations.

Dated: March 10, 2023

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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/s/ Phillip Lehmann
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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 March 10, 2023, in accordance with the Second Order Suspending Rules, issued in Project No. 50664.

/s/ Phillip Lehmann
Phillip Lehmann

Public Utility Commission of Texas

Memorandum

TO: Phillip Lehmann
Legal Division

FROM: Kathryn Eiland
Fred Bednarski III
Rate Regulation Division

DATE: March 10, 2023

RE: Docket No. 52445 – *Application of HydroTex, LLC for a Certificate of Convenience and Necessity in Liberty County*

On August 18, 2021, HydroTex, LLC filed an application to obtain a water certificate of convenience and necessity in Liberty County under Subchapter G of Texas Water Code Chapter 13.

We reviewed the answers provided to questions 28, 29, 30, and 31 of the application. We did not identify any deficiencies in those answers for purposes of determining whether the application is administratively complete. Therefore, we recommend that the Commission deem the application administratively complete from a financial perspective.

Public Utility Commission of Texas

Memorandum

TO: Phillip Lehmann, Attorney
Legal Division

FROM: Patricia Garcia, Infrastructure Analysis Section Director
Infrastructure Division

DATE: March 10, 2023

RE: Docket No. 52445 – *Application of HydroTex, LLC for a Certificate of Convenience and Necessity and for the Decertification of a Portion of Southern Horizons’ Certificate of Convenience and Necessity in Liberty County*

On August 18, 2021, HydroTex, LLC (HydroTex) filed with the Public Utility Commission of Texas (Commission) an application to obtain a water certificate of convenience and necessity (CCN) and for the Decertification of a Portion of Southern Horizons’ CCN No. 12863 in Liberty County, Texas under Texas Water Code (TWC) §§ 13.242 to 13.250 and 16 Texas Administrative Code (TAC) §§ 24.225 to 24.237.

Based on the mapping review by Tracy Montes, Infrastructure Division, the maps and digital mapping data submitted with Item 19 on June 23, 2022 are sufficient.

- The requested area includes 0 customer connections and approximately 88 acres comprised of decertified area from Southern Horizons (CCN No. 12863).
- The application proposes the subtraction of approximately 88 acres from Southern Horizons (CCN No. 12863) and the addition of approximately 88 acres to HydroTex, LLC New CCN Number.

I recommend that the previous notice published and provided to the cities, districts, neighboring retail public utilities application, and county judge by HydroTex be deemed sufficient. I recommend that HydroTex be ordered to notice landowners in the area by doing the following:

- 1) Provide notice to each landowner of a tract of land that is at least 25 acres and is wholly or partly located in the requested area. Notice must be mailed to the owner of the tract of land according to the most current tax appraisal rolls of the applicable central appraisal district at the time the application was filed.

- 2) Provide notice using the attached notice form.
- 3) Provide a copy of the maps deemed sufficient during administrative review delineating the requested area with each individual notice to neighboring utilities, other affected parties, landowners and customers.
- 4) File in the docket a copy of notice and the maps deemed sufficient during administrative review along with the signed affidavit specifying every person and entity to whom notice was provided, specify whether or not landowners were provided notice, the date that the notice was provided, and the publisher's affidavit and tear sheets for proof of newspaper publication.