



## Filing Receipt

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**Control Number - 53149**

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**DOCKET NO. 53149**

**APPLICATION OF LIQUID UTILITIES § PUBLIC UTILITY COMMISSION**  
**LLC FOR A CERTIFICATE OF §**  
**CONVENIENCE AND NECESSITY IN § OF TEXAS**  
**MONTGOMERY COUNTY §**

**COMMISSION STAFF’S RECOMMENDATION ON ADMINISTRATIVE  
COMPLETENESS AND PROPOSED PROCEDURAL SCHEDULE**

On January 26, 2022, Liquid Utilities LLC (Liquid Utilities) filed an application to obtain a sewer certificate of convenience and necessity (CCN) in Montgomery County. The application requests a service area that includes 55 acres and 159 proposed connections.

On February 1, 2022, the administrative law judge (ALJ) filed Order No. 1, establishing a deadline of February 28, 2022 for the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file comments on the administrative completeness of the application and proposed notice, and to propose a procedural schedule for further processing of this docket. Therefore, this pleading is timely filed.

**I. ADMINISTRATIVE COMPLETENESS**

Staff has reviewed the application, and, as detailed in the attached memorandum from Fred Bednarski III and Kathryn Eiland of the Commission’s Rate Regulation Division, Staff recommends that the application be deemed administratively incomplete from a financial perspective. Staff further recommends that Liquid Utilities be ordered to cure the deficiencies identified in the memorandum by March 28, 2022 and that Staff be given a deadline of April 28, 2022 to file a supplemental recommendation on the administrative completeness of the application.

**II. PROCEDURAL SCHEDULE**

In accordance with Staff’s deficiency recommendation, Staff does not propose a procedural schedule for further processing of this docket at this time. Staff intends to propose a procedural schedule alongside a subsequent recommendation that the application be found administratively complete. Staff notes that Liquid Utilities should not issue notice until the application is deemed sufficient.

### III. CONCLUSION

For the reasons detailed above, Staff recommends that the application be found administratively incomplete and that Liquid Utilities be ordered to file supplemental information to cure the deficiencies in the application by March 28, 2022. Staff respectfully requests the entry of an order consistent with these recommendations.

Dated: February 24, 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 February 24, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Jenna Keller  
Jenna Keller

# *Public Utility Commission of Texas*

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## **Memorandum**

**TO:** Jenna Keller, Attorney  
Legal Division

**FROM:** Kathryn Eiland, Financial Analyst  
Fred Bednarski III, Financial Analyst  
Rate Regulation Division

**DATE:** February 24, 2022

**RE:** Docket No. 53149 - *Application of Liquid Utilities LLC for a Certificate of Convenience and Necessity in Montgomery County*

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On January 26, 2022, Liquid Utilities LLC (Liquid Utilities) filed an application to obtain a sewer certificate of convenience and necessity in Montgomery 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 and recommend that the application be deemed administratively incomplete and that Liquid Utilities be required to provide the following information to cure the deficiencies:

1. An original copy of the certified articles of incorporation of Liquid Utilities including any amendments as well as ownership percentages respectively;
2. A description of the sources of funding for all facilities that will be constructed to serve the requested area;
3. A personal financial statement for Drew McDaniel;
4. A notarized affidavit from each affiliate that includes a written guarantee indicating how the affiliate is capable, available, and willing to cover temporary cash shortages providing the funding to pay for the wastewater plant and distribution lines;
5. Tax returns from each affiliate for the most recent 2 years; and
6. Copies of bank and investment statements supporting the amounts provided on the personal financial statements.

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<http://puc.texas.gov/industry/filings/Confidential.aspx>