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DOCKET NO. 53445

APPLICATION OF UNDINE TEXAS	§	PUBLIC UTILITY COMMISSION
LLC TO AMEND ITS CERTIFICATE	§	
OF CONVENIENCE AND NECESSITY	§	OF TEXAS
IN FORT BEND COUNTY	§	
	§	

ORDER NO. 8
REQUIRING CLARIFICATION AND ESTABLISHING DEADLINE

This Order requires Undine Texas LLC and Commission Staff to provide additional clarification, recommendations and possibly additional documentation in this application. In the application, Undine answers question 11(A) yes, that constructions of facilities will be necessary to provide service to the requested area. Then, in several filings in this docket provides copies of correspondence with the Texas Commission on Environmental Quality regarding the construction of new facilities, in particular new water plant and new water well. In its final recommendation, Commission Staff states that no new facilities are needed to serve the requested area. Therefore, Commission Staff shall clarify whether new facilities are required to serve the requested area.

If the answer to the first clarification is yes, new facilities are required to serve the requested area, Commission Staff shall confirm that the issues raised by the Commission in its order on remand in Docket No. 42931¹ have been addressed. Will the cost of the new facilities exceed \$100,000? If yes, has Undine provided a sufficient capital commitment to address the Commissioner's concerns regarding 16 Texas Administrative Code (TAC) § 24.11(e)(5)(B)(ii)? And if not, what is required to cure any deficiencies? The loan approval documents provided are for Undine Group, LLC, not Undine Texas, LLC. The guaranty agreement is from Undine Group, LLC to Undine Texas. However, the guaranty agreement that was provided is for the projected operations and maintenance shortages in the first five years of operation, not for capital construction. These specific issues shall be addressed in Commission Staff's clarification.

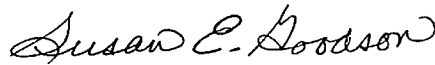
¹ *Application of Liberty County Utilities, LLC for Water and Sewer Certificates of Convenience and Necessity in Liberty County*, Docket No. 52931, Order Remanding Proceeding to Docket Management (Oct. 20, 2022).

In addition, if new facilities are required, Commission Staff shall comment on the sufficiency of Undine's filings with regards to the capital improvement plan contemplated in Texas Water Code § 13.244(d)(3) and discussed by the Commission in its order on remand.

On or before January 20, 2023, Undine and Commission Staff shall provide the requested clarifications and provide any additional documentation that is necessary, along with a motion to admit supplemental evidence if needed.

Signed at Austin, Texas the 29th day of December 2022.

PUBLIC UTILITY COMMISSION OF TEXAS



SUSAN E. GOODSON
ADMINISTRATIVE LAW JUDGE