



## **Filing Receipt**

**Filing Date - 2023-05-18 03:29:45 PM**

**Control Number - 53445**

**Item Number - 56**

**DOCKET NO. 53445**

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

**ORDER NO. 16  
REQUIRING ADDITIONAL CLARIFICATION**

This Order addresses the need for Undine Texas, LLC to supplement the application, for Commission Staff to file a supplemental recommendation, and for the parties to move to admit the additional information into the record.

During the Commission's May 11, 2023 open meeting, the Commission discussed certain aspects of sale, transfer, or merger applications, and applications for or to amend certificates of convenience and necessity (CCN).<sup>1</sup> The issues were incorporated into the Commission's order remanding the proceeding to Docket Management.<sup>2</sup>

**Capital Improvements Plan**

Under Texas Water Code (TWC) § 13.244(d)(3) and 16 Texas Administrative Code (TAC) § 24.233(a)(6), an applicant for a CCN or amendment to a CCN must contain a capital improvement plan, which must include a budget and estimated timeline for construction of all facilities necessary to provide full service to the entire proposed service area and must be keyed to a map showing where the facilities will be located to provide service. A pro forma budget is not a capital improvement plan under the TWC or the Commission's rules.

After a review of the application, the administrative law judge (ALJ) has determined that the materials in attachment D, J, and L of the application and the projections provided on September 21, 2022 do not constitute a capital improvement plan that meets the Commission's requirements under TWC § 13.244(d)(3) or 16 TAC § 24.233(a)(6).

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<sup>1</sup> Open Meeting at 1:22 (May 11, 2023), Item No. 2 (available at [https://www.adminmonitor.com/tx/puct/open meeting/202305112/](https://www.adminmonitor.com/tx/puct/open%20meeting/202305112/)).

<sup>2</sup> *Application of Waters of Vista Ranch Water Supply Corporation and Aqua Water Supply Corporation for Sale, Transfer or Merger of Facilities and Certificate Rights in Fayette County*, Docket No. 51646, Order Remanding Proceeding to Docket Management (May 11, 2023)

By June 15, 2023, the applicant must file a capital improvement plan conforming with the Commission's discussions in Docket Nos. 51646 and 52391<sup>3</sup> and the requirements of TWC § 13.244(d)(3) or 16 TAC § 24.233(a)(6).

By July 17, 2023, Commission Staff must file a recommendation on whether the applicant's capital improvement plan satisfies the requirements of the Commission, TWC § 13.244(d)(3) or 16 TAC § 24.233(a)(6).

**Notice**

Under 16 TAC §24.239(e)(1), notice of a sale, transfer, or merger application must be provided to affected customers and other affected parties. Under TWC § 13.246(a-1) and 16 TAC § 24.235(b)(2), notice of an application for an amendment to a CCN must be mailed to each owner of a tract of land that is at least 25 acres and is wholly or partially included in the area proposed to be certified.

The proof of notice provided in this proceeding does not identify tracts of land that are at least 25 acres and are wholly or partially in the requested area nor does the record show who owns those tracts. Further, there is no affidavit attesting that notice was mailed to each owner of a tract of land that is at least 25 acres and is wholly or partially included in the proposed certificated area.

By June 15, 2023, applicant must supplement their proof of notice by providing an updated affidavit and attachments with the information outlined above.

By July 17, 2023, Commission Staff must file a supplemental recommendation on the applicant's supplemented notice.

**Signed at Austin, Texas the 18<sup>th</sup> day of May 2023.**

**PUBLIC UTILITY COMMISSION OF TEXAS**



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**SUSAN E. GOODSON**  
**ADMINISTRATIVE LAW JUDGE**

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<sup>3</sup> *Application of Liberty County Utilities, LLC for Water and Sewer Certificates of Convenience and Necessity in Liberty County*, Docket No. 52391, Order Remanding Proceeding to Docket Management at 2 (Oct. 20, 2023).