



## Filing Receipt

**Received - 2022-08-15 01:21:09 PM**

**Control Number - 53828**

**ItemNumber - 10**

**DOCKET NO. 53828**

<b>APPLICATION OF UNDINE TEXAS</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>ENVIRONMENTAL, LLC AND NITSCH</b>	<b>§</b>	
<b>AND SON UTILITY COMPANY, INC.</b>	<b>§</b>	<b>OF TEXAS</b>
<b>FOR SALE, TRANSFER, OR MERGER</b>	<b>§</b>	
<b>OF FACILITIES AND CERTIFICATE</b>	<b>§</b>	
<b>RIGHTS IN HARRIS COUNTY</b>	<b>§</b>	

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

On July 14, 2022, Undine Texas Environmental, LLC (Undine) and Nitsch and Son Utility Company, Inc. (Nitsch & Son) (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Harris County, Texas.

On July 15, 2022, the administrative law judge (ALJ) filed Order No. 1, directing 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 propose a procedural schedule by August 15, 2022. Therefore, this pleading is timely filed.

**I. ADMINISTRATIVE COMPLETENESS**

Staff has reviewed the application and as detailed in the attached memorandum of Ethan Blanchard of the Rate Regulation Division, recommends that the application is administratively incomplete from a financial perspective. Staff further recommends that the Applicants be ordered to cure the deficiencies identified in Mr. Blanchard’s memorandum by September 15, 2022 and that Staff be given a deadline of October 14, 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 the 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 the Applicants 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, that the Applicants be ordered to file supplemental information to cure the deficiencies in the application by September 15, 2022, and that Staff be given a deadline of October 14, 2022, to file its supplemental recommendation. Staff respectfully requests the entry of an order consistent with these recommendations.

Dated: August 15, 2022

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

Keith Rogas  
Division Director

John Harrison  
Managing Attorney

/s/ Ian Groetsch  
Ian Groetsch  
State Bar No. 24078599  
Forrest Smith  
State Bar No. 24093643  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326  
(512) 936-7465  
(512) 936-7268 (facsimile)  
[Ian.Groetsch@puc.texas.gov](mailto:Ian.Groetsch@puc.texas.gov)

**DOCKET NO. 53828**

**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 August 15, 2022 in accordance with the Second Order Suspending Rules, issued in Project No. 50664.

/s/ Ian Groetsch  
Ian Groetsch

# *Public Utility Commission of Texas*

---

## **Memorandum**

**TO:** Ian Groetsch  
Legal Division

**FROM:** Ethan Blanchard  
Kathryn Eiland  
Rate Regulation Division

**DATE:** August 12, 2022

**RE:** Docket No. 53828 – *Application of Undine Texas Environmental, LLC and Nitsch and Son Utility Company, Inc. for Sale, Transfer, or Merger of Facilities and Certificate Rights in Harris County*

---

On July 14, 2022, Undine Texas Environmental, LLC (Undine), CCN No. 20446, and Nitsch and Son Utility Company, Inc. filed an application for the sale and transfer of facilities and certificate rights in Harris County under the provisions of Texas Water Code § 13.301 and 16 Texas Administrative Code § 24.239.

We reviewed the answers provided to questions 4, 10, 11, 12, and 14 of the application. We recommend the application be deemed administratively incomplete, and that Undine be required to provide the following information to cure the deficiencies:

1. Provide Undine Group's unredacted financial statements ending December 31, 2021.
2. Provide a table which summarizes the purchase prices, planned capital improvements, and 5-year operating projections from each system in the following dockets: 53047; 53048; 53459; 53476; 53629; 53630; 53765; 53827; and 53828.
3. Or, in lieu of 5-year projections for each system, provide aggregated 5-year projections for Undine Group and its guaranteed affiliates in Texas.