



## Filing Receipt

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**DOCKET NO. 54121**

**APPLICATION OF SP UTILITY  
COMPANY, INC. FOR TEMPORARY  
RATES FOR A NONFUNCTIONING  
UTILITY**

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**PUBLIC UTILITY COMMISSION  
  
OF TEXAS**

**COMMISSION STAFF’S CLARIFICATION REGARDING FINAL  
RECOMMENDATION AND REQUEST FOR EXTENSION**

**I. INTRODUCTION**

On September 15, 2022, Harrison Williams (Mr. Williams) owner of SP Utility Company, Inc. (SP Utility) and temporary manager of Villa Utilities, water Certificate of Convenience and Necessity (CCN) No. 12079, filed with the Public Utility Commission of Texas (Commission) a request for a temporary rate increase pursuant to Texas Water Code (TWC) § 13.046 and 16 Texas Administrative Code (TAC) § 24.363 in Chambers County. Villa Utilities has three active public water systems (PWS): Vista Utilities (PWS ID: 0360026), Reed Estates Water System (PWS ID: 1010945), and Villa Utilities (PWS ID: 101183). SP Utility filed supplemental information on November 18, 2022.

On February 7, 2023, the administrative law judge (ALJ) filed Order No. 7, directing the Staff (Staff) of the Commission and Mr. Williams to file a joint motion to admit evidence and a joint proposed order by February 21, 2023. Therefore, this pleading is timely filed.

**II. CLARIFICATION REGARDING FINAL RECOMMENDATION**

In Staff’s recommendation on final disposition, filed on January 20, 2023, Staff recommended two different rates be implemented, depending on whether Mr. Williams reissues notice. Specifically, in David Lopez’s confidential memorandum, Mr. Lopez recommended that the rates in Table 2 be implemented. In the alternative, upon reissuance of notice, Mr. Lopez recommended that the revenue requirement supports the rates in Table 3, and that the rates in Table 3 should be implemented. Staff has conferred with Mr. Williams, and Mr. Williams affirmed his intent to implement the rates in Table 3. Mr. Williams is in the process of reissuing notice to customers of the rates in Table 3. The rates in Table 3 are a decrease from the rates issued in Mr. Williams’ original notice, which was sent to customers on August 26, 2022, and filed with the application on September 15, 2022.

Therefore, if Mr. Williams reissues notice, Staff recommends that Mr. Williams be ordered to file proof of notice and that the rates in Table 3 of Mr. Lopez's memorandum be implemented. If Mr. Williams does not reissue notice, Staff recommends that the rates in Table 2 be implemented.

### **III. REQUEST FOR EXTENSION**

Under 16 TAC § 22.4(b), Staff may request that the time allowed for filing any documents be extended for good cause. In order to implement the rates in Table 3 of Staff's recommendation on final disposition, Mr. Williams requires additional time to reissue notice to customers. Thus, the parties will need additional time to file a joint motion to admit evidence and joint proposed order. Therefore, Staff respectfully requests the entry of an order extending the deadline for the parties to file a joint motion to admit evidence and a joint proposed order to March 8, 2023. Staff has conferred with Mr. Williams and is authorized to represent that he is unopposed to the extension request.

### **IV. CONCLUSION**

Based on the reasons above, if Mr. Williams reissues notice, Staff respectfully recommends that he be ordered to file proof of notice and that the rates in Table 3 of Mr. Lopez's memorandum be implemented. Staff also recommends that the deadline for the parties to file a joint motion to admit evidence and a joint proposed order be extended to March 8, 2023.

Dated: February 10, 2023

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 10, 2023, in accordance with the Second Order Suspending Rules, filed in Project No. 50664.

/s/ Margaux Fox  
Margaux Fox