



Control Number: 42989

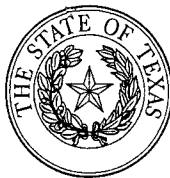


Item Number: 4

Addendum StartPage: 0

House Bill (HB) 1600 and Senate Bill (SB) 567 83rd
Legislature, Regular Session, transferred the functions
relating to the economic regulation of water and sewer
utilities from the TCEQ to the PUC effective
September 1, 2014.

Bryan W. Shaw, Ph.D., *Chairman*
Toby Baker, *Commissioner*
Zak Covar, *Executive Director*



RECEIVED

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2014 SEP 13 PM 3:46
QUALITY COMMISSION
FILING CLERK

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
Protecting Texas by Reducing and Preventing Pollution

December 3, 2013

**BY FAX AT 817/457-2407 AND BY
BY CERTIFIED MAIL**

Mr. Bob Renbarger, Attorney
Fritz, Byrne, Head & Harrison, PLLC
98 San Jacinto Blvd., Suite 2000
Austin, Texas 78701

Re: Application from EMCAD Water and Wastewater, LLC, A2087, to Acquire Facilities and transfer Certificate of Convenience and Necessity (CCN) No. 20832 held by Grand Ranch Treatment Company, in Johnson County; Application No. 37724-S

CN: pending; RN: pending (EMCAD Water and Wastewater, LLC)
CN: 600627186; RN: 101179422 (Grand Ranch Treatment Company)

Dear Renbarger:

The above referenced application, received on September 13, 2013, has been accepted for filing. Thank you for the items provided with your email, received on November 5, 2013. Please refer to the application number in future correspondence. Ms. Debbie Reyes Tamayo has been assigned to perform the technical review.

It is the responsibility of the applicant to provide correct notice of the application to the following:

- any districts, groundwater conservation districts, counties, utilities, cities, cities with an extraterritorial jurisdiction within two miles of your proposed service area, and
- any city with an extraterritorial jurisdiction which overlaps the proposed service area, and
- any customers transferred, or other affected parties in your requested area.

You must list the zip codes affected by the application in the space provided on the notice form before providing notice.

Information related to utilities and districts including addresses can be obtained from the

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Mr. Bob Renbarger, Attorney

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December 3, 2013

TCEQ web site located at www10.tceq.texas.gov/iwud/.

As proof that notice was given, you are required to return to this office a copy of the actual notice attached to a signed affidavit that the notice was given.

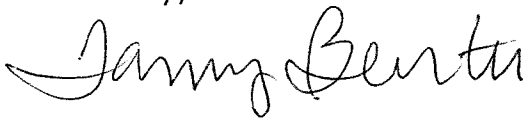
Affidavit forms are enclosed. Please complete the affidavits and submit an original and two copies (attached to the notice) to this office.

Additional financial or technical information may also be requested through future correspondence.

These items must be completed and returned to our office by January 3, 2013²⁰¹⁴. Processing of this application cannot proceed until the close of the 30 day public comment period which begins after all the required notices have been given. If we do not receive the requested information by this date, your application will be returned for failure to prosecute.

If you have any questions, please contact Ms. Debbie Reyes Tamayo at 512/239-4683, or if by correspondence, include Mail Code 153 in the letterhead address.

Sincerely,



Tammy Benter, Manager
Utilities & Districts Section
Water Supply Division
Texas Commission on Environmental Quality

TB/CM/mmg

Enclosures: as stated

TCEQ Interoffice Memorandum

To: Debbie Reyes Tamayo
Utilities Financial Review

From: Fred Bednarski
Utilities Financial Review

FB 2/19/14

Thru: Tammy Benter
Utilities Financial Review

Date: February 19, 2014

Subject: Application from EMCAD Water and Wastewater, LLC, A2087, to Acquire Facilities and transfer Certificate of Convenience and Necessity (CCN) No. 20832 held by Grand Ranch Treatment Company, in Johnson County; Application No. 37724-S

CN: pending; RN: pending (EMCAD Water and Wastewater, LLC)
CN: 600627186; RN: 101179422 (Grand Ranch Treatment Company)

In my opinion, EMCAD Water and Wastewater, LLC, has demonstrated adequate financial and managerial capability to provide service to the area subject to this application. These conclusions are based on information provided by the applicant prior to this date and may not reflect any changes in the applicant's status subsequent to this review.

The application proposes EMCAD Water and Wastewater, LLC, to acquire facilities and transfer wastewater CCN 20832. The area subject to this transaction is located approximately 12 miles north, northwest of downtown Cleburne, Texas and is generally bounded on the north by County Road 915; on the east by County Road 1014; on the south by approximately ½ mile south of Country Road 915; and on the west by Country Road 915B. This area includes approximately 388 acres and serves 54 current customers. EMCAD intends to affect the current customers' rates and services as follows: No change to current rates and current service level will either be maintained or improved. EMCAD Water and Wastewater, LLC, key management staff are Donald Clayton, in charge of finance and administration and John Ebert, in charge of operations. Mr. Clayton has served the utility industry in executive and consulting capacities for more than 35 years. He is currently the principal at Tangible LLC, who provides compliance support for water and wastewater authorities. Mr. Ebert has worked in the utility and regulated industries for more than 30 years. Since January of 2006, he has been the CEO and principal shareholder of ANG D LLC which is a holding company for 2 small gas utilities one which additionally focuses on renewable energy from landfills. As of 02/16/2014, no enforcement cases were found in the Consolidated Compliance and Enforcement Data System.

TCEQ Interoffice Memorandum

Internally prepared personal financial statements were provided that indicate Mr. Clayton's net worth is \$2,120,000 as of 01/23/2014 and Mr. Ebert's net worth is \$9,607,000 as of 01/14/2014. Documentation was provided from UBS Financial Services that Mr. Ebert has one or more accounts in excess value of \$1.2 million. Hefren-Tillotson, Inc. also provided documentation that Mr. and Mrs. Donald Clayton have assets on deposits for the total amount of \$176,160.92