



Control Number: 43175



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consulting environmental engineers, inc.

150 n. harbin drive – suite 408 • stephenville, tx 76401

phone: (254) 968-8130 fax: (254) 968-8134

email: ceeinc@ceeinc.org registered firm: #F-2323

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PUBLIC UTILITY COMMISSION
FILING CLERK

November 6, 2014

Public Utility Commission
Water Utilities Division
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

RE: Application of Community Water Service Inc. to sell a portion of their water systems (Red Oak Community Water Services (PWS #0700056) and service area Certificate of Convenience and Necessity (CCN) No.10091 in Ellis County to Walter J. Carroll Water Company, Inc. holding CCN No. 11543.

Docket No. 43175

Attention: Mr. Fred Bednarski III

Dear Mr. Bednarski:

This letter is in response to the letter identifying deficiencies from the PUC dated October 14, 2014. The following deficiencies have been corrected as follows:

1. The notices have been updated to contain the PUC address. The corrected notice has been attached.
2. The renotices have been reworded as requested. The corrected notice has been attached.
3. As requested, Walter J. Carroll Water Company will additionally notice the City of Ellis, City of Oak Leaf, City of Waxahachie, Trinity River Authority of Texas, and Ellis County. These affected parties have been added to the answer for Question 15 on the application. These along with all other affected parties will be noticed upon PUC's approval to do so.
4. Regulatory Assessment fees for Walter J. Carroll Water Company have been paid up to date. Proof of this payment is attached.
5. Upon PUC's approval of the purchase of the Red Oak Community Water System (PWS ID 0700056) and Community Water Service Inc. certificated service area (CCN No.10051), Walter Carroll Water Company will present a check for the amount of \$25,000 to Community Water Service. Walter Carroll Water Company has recently replaced a faulty well pump at the Red Oak Community Water System which cost \$2,500; therefore the final purchase price will be recorded as \$27,500. No further system upgrades or improvements are required at this time.

//

Mr. Fred Bednarski III
Public Utility Commission
RE: Docket No. 43243

-2-

November 6, 2014

6. The City of Red Oak has scheduled the matter of dual certification with Walter J. Carroll Water Company, Inc. to be on its December 8, 2014 city council meeting. A response containing documentation of their decision will be submitted to the PUC.

Please review this information and inform me of any further required action.

Sincerely,



Dustan DeWinne
Project Engineer

Notice to Current Customers, Neighboring Systems and Cities

Community Water Service, Inc 'S
(Seller's or Transferor's Name)

NOTICE OF INTENT TO SELL FACILITIES AND TRANSFER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO

10091

TO Walter J. Carroll Water Company, Inc.
(Purchaser's or Transferee's Name)

IN Ellis COUNTY, TEXAS

To: _____ Date Notice Mailed _____, 20 ____
(Name of Customer, Neighboring System or City)

(Address)

City State Zip

Community Water Service, Inc. P.O. Box 850155 Mesquite, Texas 75185
Sellers or Transferors' Name Address City/State/Zip Code

has submitted an application with the Public Utility Commission of Texas to sell facilities and transfer water or sewer (please select) CCN No. 10091 in Ellis [County Name]

County to:

Walter J. Carroll Water Company, Inc. 513 Winding Creek Trail Red Oak, Texas 75154
Purchasers or Transferee's Name Address City/State/Zip Code

The sale is scheduled to take place as approved by the Commission (V.T.C.A., Water Code §13.301). The transaction and the transfer of the CCN include the following subdivision(s):

Beckley Pike Estates, 75154

The area subject to this transaction is located approximately 0.75 miles North [direction] of downtown Red Oak, [City or Town] Texas, and is **generally** bounded on the north by

FM-644 _____; on the east by I-35 East
; on the south by W. Red Oak Rd; and on the west by Hillcrest

The total area being requested includes approximately 63 acres and serves 339 current customers. This transaction will have the following effect on the current customer's rates and services:

Affected persons may file written protests and/or request a public hearing within 30 days of this notice.

To request a hearing, you must:

- (1) state your name, mailing address and daytime telephone number;
- (2) state the applicant's name, application number or another recognizable reference to this application;
- (3) include the statement "I/we request a public hearing";
- (4) write a brief description of how you, the persons you represent, or the public interest would be adversely affected by the proposed transaction and transfer of the CCN; and
- (5) state your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Only those persons who submit a written request to be notified of a hearing will receive notice if a hearing is scheduled. The Commission will issue the CCN requested in the referenced application unless a hearing is scheduled to consider the transaction. If no protests or requests for hearing are filed during the comment period, the Commission may issue the CCN 30 days after publication of this notice.

Persons who wish to protest or request a hearing on this application should write the:

Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

**Se desea información en Español, puede llamar al
1-888-782-8477**

Walter J. Carroll

Utility Representative

Walter J. Carroll Water Company, Inc.

Utility Name

- C. Complete the following proposed entries listed below as shown in books of purchasing (or surviving) company. Additional entries may be made; the following are suggested only, and not intended to pose descriptive limitations.

Utility Plant in Service:	\$104,174.39
Plant Acquisition Adjustment:	\$27,500
Extraordinary Loss on Purchase:	\$0
Accumulated Depreciation of Plant:	\$104,174.39
Cash:	-
Notes Payable:	-
Mortgage Payable:	-
Others (please list):	

As the purchaser, I understand that it is **my responsibility** in any future rate proceeding to provide written evidence and support for the original cost and installation date of all facilities used and useful for providing utility service.

Purchaser's Initials: Date:

14. Please indicate the proposed effect of this transaction on the rates to be charged to the affected customers:
 All the customers will be charged the same rates as they were charged before the transaction.
 Some All customers will be charged different rates than they were charged before the transaction.

If rates are changing, please explain:

Red Oak customers currently pay according to the Community Water rate schedule (see Exhibit IX). Carroll Water proposes to charge the same rate (see Exhibit X) it currently charges its other customers.

Applicant is an IOU and intends to file with the Commission or municipal regulatory authority an application to change rates of some/all of its customers as a result of this transaction. If so, please explain:

- Other. Please explain:

As stated above, Carroll would like to charge Red Oak customers the same rate they are currently charging their other customers without going through the rate change process. A copy of this rate schedule has been attached.

15. List all neighboring water and /or sewer utilities, cities, and political subdivisions providing the same service within two (2) miles of area affected by this proposed transaction. This information should be available from the water utility database (WUD) or Applicant's licensed water operator.

10098 City of Lancaster, 10099 Rockett SUD, 11059 City of Glenn Heights, 11314 Mash Carl G, 11459 City of Ovilla, 11701 Cozy Waterworks, 11074 City of Red Oak, City of Ellis, City of Oak Leaf, City of Waxahachie, Trinity River Authority of Texas, and Ellis County.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Revenue and Regulatory Assessment Report For PUBLIC UTILITY

UTILITY: CARROLL WATER COMPANY

ACCOUNT: 11543

Revenue and Regulatory Assessment Report for the Calendar Year 2013	
1. Enter total revenues from retail water and sewer service in year 2013	1. 262,628.43
2. Enter amount collected OR multiply item 1 by 0.01	2. 2626.28
3. Late payment penalty: 5% - If paid after January 30th and before March 1st - multiply line 2 by 0.05 10% - If paid after March 1st - multiply line 2 by 0.10	3. 0
4. Late payment interest, 1% per month if paid after March 31st: a. Multiply line 2 by 0.01 = monthly interest due, then b. Multiply monthly interest due by the number of months payment is made after March 31, rounded to the nearest month.	4. 0
5. Amount due and payable (Add lines 2, 3, and 4).	5. 2626.28

Please note if the utility was inactive for more than a month during the year or experienced other circumstances which affected revenues (attach an additional page if necessary):

I declare that the above information is true and correct to the best of my knowledge and belief.

Signature Patty Hilton Date 1/17/14
 Preparer's name Patty Hilton Phone number 214-476-9839
 (Please Print)

VIPP Form WCO4C5 / TCEQ-20088

Calendar Year 2013
REVENUE & REGULATORY ASSESSMENT REPORT
 For PUBLIC UTILITY

PLEASE RETURN ENTIRE ORIGINAL FORM
 WITH CHECK OR MONEY ORDER PAYABLE TO:



**TEXAS COMMISSION ON
 ENVIRONMENTAL QUALITY**

|||||
 CARROLL WATER COMPANY
 513 WINDING CREEK TRL
 RED OAK, TX 75154-3965

AMOUNT ENCLOSED	ACCOUNT NO.
2,626.28	11543

CHECK HERE IF YOUR ADDRESS OR YOUR PHONE NUMBER HAVE CHANGED. PLEASE INDICATE ADDRESS OR PHONE NUMBER CHANGE ON BACK.

**PAYMENTS NOT RECEIVED BY JANUARY 30,
 WILL RECEIVE A NOTICE OF VIOLATION**

0000011543 1533242 00000000000130149

WALTER L. CARROLL 68-41 WATER CO., INC. 110 WOODBINE DRIVE, P.O. BOX 17497 MEMPHIS, TN 38117		23612
DATE <u>1-17-14</u>		
PAY TO THE ORDER OF <u>Legal Commission on Environmental Quality</u> \$ <u>2,626.28</u>		
<u>Two Thousand Six Hundred Twenty Six and 28/100</u> DOLLARS		
FROM <u>Acct. 11543</u>		<u>Robert J. Carroll</u>
⑆23612⑆ ⑆110001010⑆ ⑆00023612⑆		

Check 23612 Amount \$2,626.28 Date 1/23/2014