



Control Number: 43355



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DOCKET NO. 43355

RECEIVED

APPLICATION OF BEAR SPRINGS §
WATER CO., INC. AND BEAR SPRINGS §
TRAILS WATER SUPPLY §
CORPORATION, INC. FOR SALE, §
TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATES OF §
CONVENIENCE AND NECESSITY IN §
BANDERA COUNTY (37912-C) §
§

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PUBLIC UTILITY COMMISSION
FILING CLERK

PUBLIC UTILITY COMMISSION

OF TEXAS

COMMISSION STAFF'S RESPONSE TO ORDER NO. 6

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Response to Order No. 6.

I. BACKGROUND

On May 9, 2014, Bear Springs Water Co., Inc. and Bear Springs Trails Water Supply Corporation, Inc. (Applicants) filed an application for the sale, transfer, or merger of facilities and certificates of convenience and necessity in Bandera County pursuant to TEX. WATER CODE §§ 13.246(c), 13.254, 13.301 and 30 TEX. ADMIN. CODE §§ 291.109 and 291.112 (now 16 TEX. ADMIN. CODE §§ 24.109 AND 24.112).

On October 1, 2014, the Administrative Law Judge (ALJ) issued Order No. 2, which requires Staff to file comments on the status of the application by October 22, 2014. Staff filed [title of filing] and recommended the ALJ find the application deficient and administratively incomplete. On October 24, 2014, the ALJ issued Order No. 3 deeming the application deficient and administratively incomplete; ordered that Applicants cure deficiencies and file a proposed text of notice; and ordered Staff to file a supplemental recommendation on administrative completeness. In response to Order No. 3, Staff filed a recommendation to find the notice and application deficient and included specific information required to be corrected in the proposed notice. The ALJ issued Order No. 4, finding the application deficient, and requiring the Applicants to provide corrected notice comporting with the Staff's recommendation. On December 19, 2014, Applicants filed a pleading and disagreed with the findings of the ALJ and the Staff's recommendation for provision of notice and provided additional information for the consideration of the parties. In response to Applicants's filing and Staff's request, the ALJ issued Order No. 5, extending the deadline to January 30, 2015, for Staff to complete the administrative

review of the application and file a recommendation on administrative completeness and notice to customers, and propose a procedural schedule, if necessary. In response to Order No. 5, Staff again recommended the proposed notice be found incomplete. On February 4, 2015, the ALJ issued Order No 6, which required the Applicants to respond by February 18, 2015, and Staff to file a supplemental recommendation regarding administrative completeness of the amended application and notice along with a proposed procedural schedule by March 13, 2015. This pleading is timely filed.

II. RESPONSE

The Applicants timely replied to Order No.6 with the proposed notice that complies with Staff's recommendations. As described in the attached memorandum of George Gogonas, Water Utilities Division, Staff recommends that the proposed notice and application be deemed administratively complete.

III. PROCEDURAL SCHEDULE AND CONTINUED PROCESSING OF THE APPLICATION

With respect to processing this application moving forward, the Commission's substantive rules state:

On or before the 120th day before the effective date of any sale, acquisition, lease, rental, merger or consolidation of any water or sewer system required by law to possess a certificate of public convenience and necessity, the utility or water supply or sewer service corporation shall file a written application with the commission and give public notice of the action.¹

The 120-day period begins on the later of: (i) the filing of a sale, transfer, merger application; (ii) if mailed notice is required, the date that the applicant mailed notice; or (iii) if newspaper notice is required, the last date of publication of the notice.²

¹ 16 TAC § 24.109(a).

² 16 TAC §.24.109(a)(1)-(3).

Therefore Staff proposes the following procedural schedule:

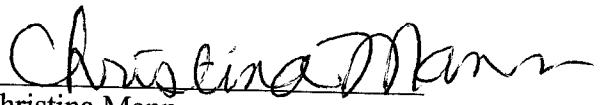
Applicants to file affidavits evidencing proof of notice	45 days from Commission Order finding Application and Proposed Notice Sufficient
Intervention deadline	30 days after mailing or publication of notice, whichever occurs later
Deadline for Staff's recommendation or request for a hearing on the merits	May 15, 2015
Deadline for Applicants to request a hearing, and file responses, if any, to intervenor comments, and Staff's recommendation	May 29, 2015
If no disputed issues, deadline for parties' proposed order, including findings of fact, conclusions of law, and ordering paragraphs	June 12, 2015
120 day deadline for the Commission to approve the STM application and allow Applicants to move forward with the transaction	120 days from Commission Order finding Application and Proposed Notice Sufficient.
Expiration of the commission's approval for sale	1 year from Commission Order approving the transaction.

IV. CONCLUSION

Staff recommends this application be deemed administratively complete as described in attached memorandum and the Applicants be required to complete the notice as proposed. Further, Staff recommends adoption of a procedural consistent with the proposed schedule above.

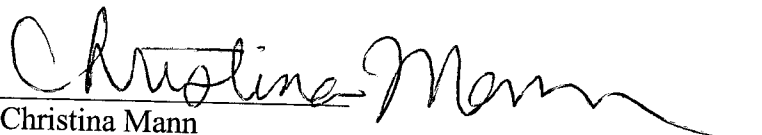
Respectfully Submitted,
Margaret Uhlig Pemberton
Division Director
Legal Division

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Managing Attorney-Legal Division


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DOCKET NO. 43355
CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on March 10, 2015, in accordance with P.U.C. Procedural Rule 22.74.


Christina Mann

PUC Interoffice Memorandum

To: Chrissy Mann, Attorney
Legal Division

Thru: Tammy Benter, Director
Water Utilities Division

From: George Gogonas, Utility Rates Analyst/Auditor
Tracy Harbour, GIS Specialist
Water Utilities Division

Date: February 19, 2015

Subject: Docket No. 43355, Application of Bear Springs Water Co., Inc. for Sale, Transfer or Merger of Facilities and Certificate of Convenience and Necessity in Bandera County.

Bear Springs Water Co., Inc. (Applicant) has filed an application to acquire water facilities from CCN Nos. 12963, held by Bear Springs Trails Water Supply Corporation in Bandera County, pursuant to the criteria in Texas Water Code 13.301 and Title 16 Texas Administrative Code, Sections 24.109 and 24.112.

The proposed notice for publication and the notice to neighboring systems, landowners and cities, filed by the Applicant on February 18, 2015, are recommended to be approved. The Applicant will only need to notice entities within 2-miles and will only need to notice in Bandera County.

1. The Applicant must notice the following entities located within a 2-mile buffer of the proposed water service area requested with this application:
 - Bandera County River Authority & Groundwater Conservation District
 - Hill County Utilities, LLC (13112)
 - Security State Bank and Trust (13125)
 - Bandera County
2. The Applicant be ordered to provide correct notice of the application to the following:
 - a) any districts, groundwater conservation districts, counties, utilities, cities, cities with an extraterritorial jurisdiction within two (2) miles of the proposed water service area; any city with an extraterritorial jurisdiction which overlaps the proposed water service area; and
 - b) any customers transferred, or other affected parties in the requested area.
3. Include a copy of a map showing the proposed water service area with the individual notices to neighboring utilities and other affected parties. It is the Applicant's burden to provide accurate map delineating the proposed water

service area with each individual notice. Information related to districts including addresses can be obtained by the Applicant from the TCEQ web site located at **<http://www14.tceq.texas.gov/iwud/>**

Within 30 days of the Commission order, the Applicant should submit a copy of the actual notice issued, along with signed affidavits (copies attached), indicating that the notice was given.

PUBLIC UTILITY COMMISSION



AFFIDAVIT OF NOTICE TO CUSTOMERS DOCKET NO. _____

STATE OF TEXAS

COUNTY OF _____

Before me, the undersigned authority, on this day personally appeared

_____, who being by me

duly sworn, deposes and that (s)he is the _____
(TITLE)

of the _____
(NAME OF UTILITY)

that the attached notice was provided to customers and other affected parties by

(METHOD USED TO PROVIDE NOTICE)

on or about the following date, to wit: _____
(DATE)

(SIGNATURE OF UTILITY OFFICIAL)

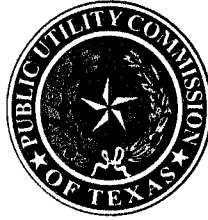
Subscribed and sworn to before me this _____ day of _____, 2015,
to certify which witness my hand and seal of office.

Notary Public in and for the State of Texas

Print or Type Name of Notary Public

Commission Expires _____

PUBLIC UTILITY COMMISSION



AFFIDAVIT OF NOTICE TO NEIGHBORING UTILITIES AND AFFECTED PARTIES
DOCKET NO. _____

STATE OF TEXAS
COUNTY OF _____

_____ has provided individual notice to
the following entities and landowners:

DATE

OATH

I, _____, being duly sworn, file this form as
_____ (indicate relationship to applicant, that is, owner,
member of partnership, title of officer of corporation, or other authorized representative of applicant);
that in such capacity, I am qualified and authorized to file and verify such form, am personally familiar
with the notices given with this application, and have complied with all notice requirements in the
application and application acceptance letter; and that all such statements made and matters set for
therein are true and correct.

Applicant's Authorized Representative

If the applicant to this form is any person other than the sole owner, partner, officer of the applicant, or
its' attorney, a properly verified Power of Attorney must be enclosed.

Subscribed and sworn to before me this _____ day of _____, 20____, to
certify which witness my hand and seal of office.

Notary Public in and for the State of Texas

Print or Type Name of Notary Public

Commission Expires _____