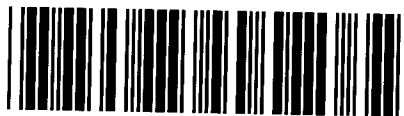




Control Number: 43712



Item Number: 43

Addendum StartPage: 0

DOCKET NO. 43712

RECEIVED

2016 JUN -8 PM 1:57

PUBLIC UTILITY COMMISSION
OF TEXAS

APPLICATION OF LAKE §
LIVINGSTON WATER SUPPLY AND §
SEWER SERVICE CORPORATION §
AND TYLER COUNTY WATER §
SUPPLY CORPORATION FOR SALE, §
TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN TYLER COUNTY (37966-S) §

PROPOSED NOTICE OF APPROVAL

Commission Staff of the Public Utility Commission of Texas files this Proposed Notice of Approval.

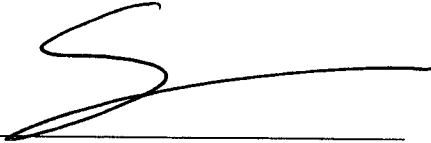
Date: June 8, 2016

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF
TEXAS LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director
Legal Division

Stephen Mack
Managing Attorney
Legal Division




Sam Chang
State Bar No. 24078333
Public Utility Commission of Texas
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7261
(512) 936-7268 (facsimile)



DOCKET NO. 43712

CERTIFICATE OF SERVICE

I certify that a copy of this document was served on all parties of record on June 8, 2016,
in accordance with 16 TAC § 22.74.


Sam Chang

DOCKET NO. 43712

APPLICATION OF LAKE	§	PUBLIC UTILITY COMMISSION
LIVINGSTON WATER SUPPLY AND	§	
SEWER SERVICE CORPORATION	§	OF TEXAS
AND TYLER COUNTY WATER	§	
SUPPLY CORPORATION FOR SALE,	§	
TRANSFER, OR MERGER OF	§	
FACILITIES AND CERTIFICATE	§	
RIGHTS IN TYLER COUNTY (37966-S)	§	

PROPOSED NOTICE OF APPROVAL

This Notice of Approval addresses the application filed by Lake Livingston Water Supply and Sewer Service Corporation (Lake Livingston WSC) and Tyler County Water Supply Corporation (Tyler County WSC) regarding the sale and transfer of Lake Livingston WSC's facilities and a portion of the corresponding water certificate of convenience and necessity (water CCN No. 10147) for the Wayward Wind Estates subdivision in Tyler County, Texas. On May 13, 2016, Commission Staff (Staff) of the Public Utility Commission of Texas (Commission) recommended that the Commission approve Lake Livingston WSC and Tyler County WSC's application. The Commission approves Lake Livingston WSC and Tyler County WSC's application and the sale and transfer of Lake Livingston WSC's facilities for the Wayward Wind Estates subdivision in Tyler County, Texas and a portion of the corresponding water CCN No. 10147. The Commission makes the following findings of fact and conclusions of law:

I. Findings of Fact

1. Lake Livingston WSC, the seller/transferor, owns certain facilities and corresponding water CCN No. 10147 for a certificated service area in the Wayward Wind Estates subdivision in Tyler County, Texas.
2. Tyler County WSC is the purchaser/transferee.
3. On June 30, 2014, Lake Livingston WSC and Tyler County WSC filed their application with the Texas Commission on Environmental Quality requesting approval of the sale and transfer of Lake Livingston WSC's facilities for the Wayward Wind Estates subdivision in Tyler County, Texas and a portion of the corresponding water CCN No. 10147.
4. Effective September 1, 2014, the Commission began the economic regulation of water and

sewer utilities. This proceeding was transferred from the Texas Commission on Environmental Quality to the Commission for processing.

5. On February 19, 2015, the Administrative Law Judge entered Order No. 4, which found the application to be administratively complete.
6. March 24, 2015, Lake Livingston WSC filed its affidavits regarding the provision and publication of notice of the application. Notice of the application was provided to affected parties on February 24, 2015. Notice of the application was published in the *Tyler County Booster* on February 26, 2015.
7. On June 3, 2015, Lake Livingston WSC filed another affidavit regarding the provision of notice of the application. Notice of the application was provided to additional affected parties on May 28, 2015.
8. On July 31, 2015, Staff filed its Final Recommendation. Staff recommended that the Commission approve the application and the sale and transfer transaction between Lake Livingston WSC and Tyler County WSC.
9. On August 19, 2015, the Administrative Law Judge issued Order No. 12, which approved the application and the sale and transfer transaction between Lake Livingston WSC and Tyler County WSC. Order No. 12 also required Lake Livingston WSC and Tyler County WSC to submit closing documents regarding their sale and transfer transaction within one (1) year of the August 19, 2015 approval date.
10. On March 3, 2016, Lake Livingston WSC filed closing documents regarding the sale and transfer transaction with Tyler County WSC.
11. On March 31, 2016, Staff filed its Recommendation on Closing Documents. Staff recommended that Lake Livingston WSC and Tyler County WSC consummated their sale and transfer transaction.
12. On April 8, 2016, Lake Livingston WSC filed additional closing documents regarding the sale and transfer transaction with Tyler County WSC.
13. On April 19, 2016, the Administrative Law Judge entered Order No. 15, which deemed the closing documents filed by Lake Livingston WSC sufficient and established a procedural schedule.
14. On May 13, 2016, Staff filed its Final Recommendation. Staff recommended that the Commission approve the application and the sale and transfer of Lake Livingston WSC's

facilities for the Wayward Wind Estates subdivision in Tyler County, Texas and corresponding water CCN No. 10147. Additionally, Staff recommended that Tyler County WSC has adequate financial, managerial, and technical capability to provide continuous and adequate service to customers in the certificated service area under water CCN No. 10147.

15. On June 8, 2016, Staff filed its Proposed Notice of Approval.
16. On June 8, 2016, Staff filed its Motion to Admit Evidence. Staff requested that certain evidence be admitted into the record in support of its Proposed Notice of Approval.
17. On _____, the Commission granted Staff's Motion to Admit Evidence. The following evidence was admitted into the record:
 - a. Exhibit 1: Lake Livingston WSC and Tyler County WSC's Application for Sale, Transfer, or Merger of a Retail Public Utility and accompanying attachments;
 - b. Exhibit 2: Affidavits regarding the provision and publication of notice (filed on March 24, 2016);
 - c. Exhibit 3: Affidavit regarding notice to customers, neighboring utilities and other affected parties (filed on June 3, 2015);
 - d. Exhibit 4: Staff's Recommendation and accompanying attachments (filed on May 8, 2016);
 - e. Exhibit 5: Closing documents (filed on March 3 and April 8, 2016);
 - f. Exhibit 6: Staff's Final Recommendation and accompanying attachments (filed on May 13, 2016);
 - g. Exhibit 7: Lake Livingston WSC's Consent Form (filed on June 8, 2016); and
 - h. Exhibit 8: Tyler County WSC's Consent Form (filed on June 8, 2016).

II. Conclusions of Law

1. The Commission has jurisdiction over Lake Livingston WSC and Tyler County WSC's application under Tex. Water Code §§ 13.251 and 13.301.
2. Lake Livingston WSC and Tyler County WSC are retail public utilities as defined by Tex. Water Code § 13.002(19) and 16 Tex. Admin. Code § 24.3(58).
3. Notice of the application was provided to affected parties, as required by Tex. Water Code § 13.301(a)(2) and 16 Tex. Admin. Code §§ 24.109(a) and 24.112(c).

4. The application was processed in accordance with the requirements of the Texas Administrative Procedures Act, Tex. Gov't Code §§ 2001.001-2001.902; Tex. Water Code § 13.301; and 16 Tex. Admin. Code §§ 24.109 and 24.112.
5. Lake Livingston WSC and Tyler County WSC consummated the sale and transfer of Lake Livingston WSC's facilities for the Wayward Wind Estates subdivision in Tyler County, Texas and corresponding water CCN No. 10147 within one (1) year from the date of the Commission's approval of the sale and transfer transaction, as required by 16 Tex. Admin. Code § 24.112(e).
6. The requirements for informal disposition under 16 Tex. Admin. Code § 22.35 have been met in this proceeding. At least fifteen (15) days have passed since the completion of notice requirements, and it is not necessary to hold a hearing on the merits regarding the application.
7. Tyler County WSC has demonstrated that it has adequate financial, managerial, and technical capability to provide continuous and adequate service to customers in the Wayward Winds Estates subdivision.

III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following ordering paragraphs:

1. Lake Livingston WSC and Tyler County WSC's application is approved.
2. The sale and transfer of Lake Livingston WSC's facilities for the Wayward Wind Estates subdivision in Tyler County, Texas and portion of the corresponding water CCN No. 10147 is approved.
3. Water CCN No. 10147 is amended to reflect that Tyler County WSC will be providing water service to the Wayward Wind Estates subdivision in Tyler County, Texas. The amendment of water CCN No. 10147, the revised map of Tyler County WSC's acquired service area in Tyler County, Texas, and the applicable tariff are attached to this Notice of Approval.
4. All other motions, requests for entry of specific findings of fact or conclusions of law, and any other requests for general or specific relief, if not expressly granted in this Notice of Approval, are denied.

SIGNED IN AUSTIN, TEXAS, this _____ day of _____, 2016

PUBLIC UTILITY COMMISSION OF TEXAS

**STEPHANIE FRAZZELL
ADMINISTRATIVE LAW JUDGE**