

Control Number: 45317



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DOCKET NO. 45317

APPLICATION OF MONARCH UTILITIES I, L.P. AND ROMARK UTILITY COMPANY FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN POLK COUNTY

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COMMISSION STAFF'S RESPONSE TO ORDER NO. 2 & RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest and files this Response to Order No. 2 & Recommendation on Administrative Completeness.

I. BACKGROUND

On November 4, 2015, Monarch Utilities I, L.P. (Monarch) and Romark Utility Company (Romark) (jointly Applicants) filed an application for approval of a sale, transfer, or merger (STM) of facilities and certificate rights in Polk County. Applicants seek approval to transfer, but also request amendment of uncertificated area and decertification of portions of the service area to be transferred. The application requests cancellation of Romark's water certificate of convenience and necessity (CCN) No. 10116 and amendment of Monarch's CCN No. 12983. This application affects approximately 387 acres and 125 current customers in the Oak Terrace Estates Subdivision.

On December 9, 2015, Order No. 2 was issued, requiring Staff to file a recommendation on administrative completeness of the application and notice along with a proposed procedural schedule by February 9, 2016. Therefore, this Response is timely filed.

II. COMMENTS ON ADMINISTRATIVE COMPLETENESS AND NOTICE

As detailed in the attached memorandum of Mary Lupo and Kristy Nguyen, in the Commission's Water Utilities Division, Staff finds the Applicants have cured all application and notice deficiencies. Therefore, Staff recommends the application be deemed administratively complete pursuant to 16 Tex. Admin. Code §§ 24.109 and 24.112 (TAC).

The Commission's notice requirements for STM applications are provided by 16 TAC § 24.112. Specifically, Staff recommends the Applicants be directed to provide the attached notice to the following:

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- a) any districts, groundwater conservation districts, counties, utilities, cities, cities with an extraterritorial jurisdiction within two miles of the proposed service area;
- b) any city with an extraterritorial jurisdiction which overlaps the proposed service area;
- c) any customers transferred, or other affected parties in the requested area;
- d) notice to the public which must be published once each week for two (2) consecutive weeks in a newspaper of general circulation in Polk County; and
- e) notice to the county judge of each county and to each groundwater conservation district that is wholly or partly included in the area proposed to be certified.

Applicants should notify the following entities in addition to the neighboring entities listed in its application: David Lee Sheffield, Temple WSC.

Additionally, Staff recommends Applicants be ordered to include a copy of a map showing the proposed service area with the individual notices to neighboring utilities and other affected parties. Information related to districts including addresses can be obtained from the TCEQ web site located at <http://www.14.tceq.texas.gov/iwud/>.

III. PROPOSED PROCEDURAL SCHEDULE

Staff recommends the following procedural schedule:

Event	Date
Deadline for Applicants to file with the Commission a copy of the actual notice issued, the map issued with the individual mailed notice, tear sheets of the newspaper notice, and the signed affidavits (copies attached) indicating that notice was given.	March 9, 2016
Deadline for affected parties other than Staff to intervene, file comments, or request a hearing	Within 30 days of mailing or publication of notice, whichever occurs later ¹
Staff Final Recommendation, Request for Hearing, or Recommendation on Further Procedural Schedule	May 9, 2016

¹ 16 TAC § 24.106(a)(3).

III. CONCLUSION

Staff recommends that an order be entered consistent with this filing.

DATE: February 9, 2016

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director
Legal Division

Stephen Mack
Managing Attorney
Legal Division

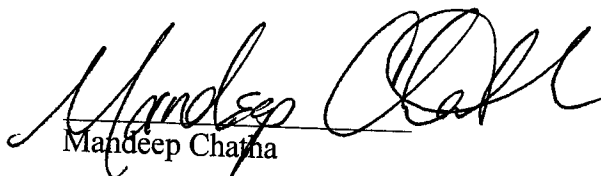


Mandeep Chatha
Attorney-Legal Division
State Bar No. 24082803
(512) 936-7163
(512) 936-7268 (facsimile)
Public Utility Commission of Texas
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on February 9, 2016 in accordance with 16 TAC § 22.74.



Mandeep Chatha

PUC Interoffice Memorandum

To: Mandeep Chatha, Attorney
Legal Division

Thru: Tammy Benter, Director
Water Utilities Division

From: Mary Lupo, Utility Rates Analyst
Kristy Nguyen, GIS Specialist
Water Utilities Division

Date: February 4, 2016

Subject: **Docket 45317**, *Application of Monarch Utilities I, L.P. and Romark Utility Company for Sale, Transfer, or Merger of Facilities and Certificate Rights in Polk County*

On November 5, 2015, Monarch Utilities I, L.P. (Monarch) and Romark Utility Company (Romark) (collectively, Applicants) filed an application for approval of a sale, transfer, or merger (STM) of facilities and certificate rights in Polk County, Texas. As a result of the proposed transaction, Romark's water certificate of convenience and necessity (CCN) No. 10116 will be cancelled and Monarch's water CCN No. 12983 will be expanded to include the proposed area. In addition to the sale, transfer or merger, Monarch is requesting to decertify, approximately 36 acres of Romark's existing water CCN No. 10116 and to add adjoining uncertified area of approximately 169 acres to its existing water CCN No. 12983. This application is being reviewed pursuant to the criteria in Tex. Water Code §§ 13.241, 13.246, and 13.301 (TWC) and 16 Tex. Admin. Code §§ 24.102, 24.109, and 24.112 (TAC).

I have reviewed the application and recommend that it be deemed administratively complete and sufficient for filing. I further recommend that the Applicants be ordered to do the following:

- 1) In addition to those entities listed in the application, provide notice the following entities located within a 2-mile buffer of the proposed water service areas requested with this application:
 - a) David Lee Sheffield
 - b) Temple WSC
- 2) Provide the 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 service areas;
 - b) any city with an extraterritorial jurisdiction which overlaps the proposed service areas; and
 - c) any customers transferred, or other affected parties in the requested area;

- d) notice to the public which must be published once each week for two (2) consecutive weeks in a newspaper of general circulation in Polk County; and
 - e) Notice to the county judge of each county and to each groundwater conservation district that is wholly or partly included in the area proposed to be certified.
- 3) Include a copy of a map showing the proposed service areas with the individual notices to neighboring utilities, customers and other affected parties. It is the Applicant's burden to provide an accurate map delineating the proposed service areas 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/>.

For the proposed area that is currently uncertified only:

- 1) The applicant shall mail notice to each owner of a tract of land that is at least 25 acres and is wholly or partially included in the area proposed to be certified.
- 2) File copies of the actual notices sent and signed affidavit (blank forms attached).

Notice to Current Customers, Neighboring Systems, Cities, and Landowners

MONARCH UTILITIES I, LP, CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO. 12983, TO TRANSFER AND CANCEL CCN NO. 10116 FROM ROMARK UTILITY COMPANY, AND TO AMEND CCN NO. 12983 IN POLK COUNTY, TEXAS.

To: _____ Date Notice Mailed: _____, 2016
(Name of Customer, Landowner, Neighboring System, or City)

(Address)

(City State Zip)

Monarch Utilities I, L.P., 12535 Reed Road, Sugar Land, TX 77478, has submitted an application with the Public Utility Commission of Texas to transfer and cancel CCN No. 10116 of Romark Utility Company, 108 S. Washington, Livingston, TX 77351, in Polk County.

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 a portion CCN No. 10116 includes the following subdivision:

Oak Terrace Estates

In addition to the transfer, Monarch Utilities I, L.P. is requesting to amend its CCN No. 12983 by adding adjoining uncertified area of approximately 169 acres and decertifying approximately 36 acres.

A map of the proposed area is attached.

The area subject to this transaction is located within approximately 6 miles southwest of downtown Livingston, Texas, and is generally located on the north by FM 350 and FM 3126; on the east by Air Park Drive; on the south by Lake Livingston and Live Oak St.; and on the west by Lake Livingston.

The total area being transferred includes approximately 387 acres and serves 125 current customers.

This transaction will have the following effect on the current customer's rates and services: No change in rates, Monarch Utilities I, LP will provide improved service.

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

A request for public hearing must be in writing to request a hearing, you must:

- (1) your name, mailing address, and daytime telephone number;
- (2) the applicant's name, application number or another recognizable reference to this application;
- (3) the statement, "I/we request a public hearing";

- (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and
(5) 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 informacion en Espanol, puede llamar al 1-888-782-8477.

George Freitag
Utility Representative

Monarch Utilities I, L.P.
Utility Name

PUBLIC UTILITY COMMISSION



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, LANDOWNERS, NEIGHBORING SYSTEMS AND CITIES

DOCKET NO. _____

STATE OF TEXAS
COUNTY OF _____

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

	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 _____

Notice to Current Customers, Neighboring Systems, Cities, and Landowners

MONARCH UTILITIES I, LP, CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO. 12983, TO TRANSFER AND CANCEL CCN NO. 10116 FROM ROMARK UTILITY COMPANY, AND TO AMEND CCN NO. 12983 IN POLK COUNTY, TEXAS.

Monarch Utilities I, L.P., 12535 Reed Road, Sugar Land, TX 77478, has submitted an application with the Public Utility Commission of Texas to transfer and cancel CCN No. 10116 of Romark Utility Company, 108 S. Washington, Livingston, TX 77351, in Polk County.

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 a portion CCN No. 10116 includes the following subdivision:

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In addition to the transfer, Monarch Utilities I, L.P. is requesting to amend its CCN No. 12983 by adding adjoining uncertified area of approximately 169 acres and decertifying approximately 36 acres.

A map of the proposed area can be viewed at: Monarch Utilities I, L.P., 12535 Reed Road, Sugar Land, TX 77478.

The area subject to this transaction is located within approximately 6 miles southwest of downtown Livingston, Texas, and is generally located on the north by FM 350 and FM 3126; on the east by Air Park Drive; on the south by Lake Livingston and Live Oak St.; and on the west by Lake Livingston.

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George Freitag
Utility Representative

Monarch Utilities I, L.P.
Utility Name

PUBLIC UTILITY COMMISSION



PUBLISHER'S AFFIDAVIT 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

_____ of the _____
(TITLE) (NAME OF NEWSPAPER)

that said newspaper is regularly published in _____
(COUNTY/COUNTIES)

and generally circulated in _____, Texas;
(COUNTY/COUNTIES)

and that the attached notice was published in said newspaper on the following dates, to wit:

(DATES)

(SIGNATURE OF NEWSPAPER REPRESENTATIVE)

Subscribed and sworn to before me this _____ day of _____, 2016, 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 _____