



Control Number: 45317



Item Number: 18

Addendum StartPage: 0

RECEIVED

DOCKET NO. 45317

2016 JUN 14 PM 1:50

PUBLIC UTILITY COMMISSION
PUBLIC UTILITY COMMISSION
FILING CLERK
OF TEXAS

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

§
§
§
§
§
§

COMMISSION STAFF'S PROPOSED NOTICES OF APPROVAL

Commission Staff of the Public Utility Commission of Texas files the following short form and long form notices of approval for this proceeding. The short form notice of approval is consistent with prior notices of approval for sale/transfer/merger applications. The long form notice of approval has further details of the transaction and includes findings of fact and conclusions of law.

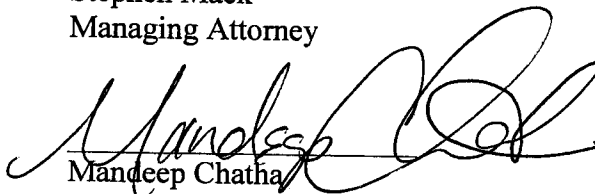
Date: June 14, 2016

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Stephen Mack
Managing Attorney



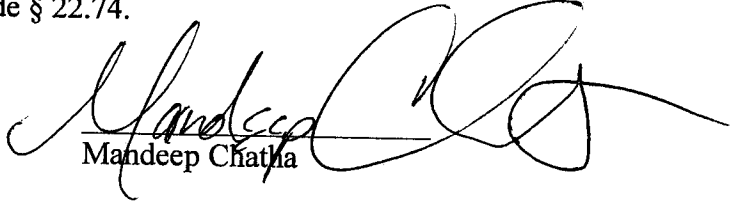
Mandeep Chatha
State Bar No. 24082803
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7163
(512) 936-7268 (facsimile)

18

DOCKET NO. 45317

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on June 14, 2016, in accordance with 16 Tex. Admin. Code § 22.74.


Mandeep Chatha

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**

§
§
§
§
§
§

**PUBLIC UTILITY COMMISSION
OF TEXAS**

**ORDER NO. 5
APPROVING SALE AND TRANSFER TRANSACTION TO PROCEED**

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 June 8, 2016, Commission Staff recommended approval of the sale and transfer transaction between Monarch and Romark.

Consistent with Commission Staff's recommendation, the sale and transfer transaction between Monarch and Romark may proceed and be consummated. As soon as possible after the effective date of the transaction, but not later than thirty 30 days after the effective date of the transaction, Monarch and Romark shall file proof that the sale and transfer transaction has been consummated and customer deposits have been addressed. Pursuant to 16 Tex. Admin. Code § 24.112(e), Monarch and Romark have 365 days to submit proof to the Commission that the transaction has been consummated. If closing documents are not submitted within this period, or an extension granted, approval of this transaction is void. Monarch and Romark are advised that there will be no change to the relevant certificates of convenience and necessity until the transfer is complete in accordance with Commission rules.

Beginning July 1, 2016, and continuing monthly thereafter, Monarch and Romark shall file updates regarding the status of the transaction. Upon consummation of their sale and transfer transaction, Monarch and Romark shall file with the Commission closing documents and documents that indicate the disposition of customer deposits (if any). Within 30 days following

the filing of Monarch and Romark's proof that their sale and transfer transaction has been consummated and customer deposits (if any) have been addressed, Commission Staff shall file a recommendation regarding the sufficiency of the documents and propose a procedural schedule for the continued processing of this docket.

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

PUBLIC UTILITY COMMISSION OF TEXAS

**SUSAN E. GOODSON
ADMINISTRATIVE LAW JUDGE**

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**

§
§
§
§
§
§

**PUBLIC UTILITY COMMISSION

OF TEXAS**

PROPOSED NOTICE OF APPROVAL

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. On June 8, 2016, Commission Staff recommended approval of the sale and transfer transaction between Monarch and Romark.

The Commission approves Monarch and Romark’s application and the sale and transfer transaction between Monarch and Romark. The Commission makes the following findings of fact and conclusions of law:

I. Findings of Fact

1. Romark, the seller/transferor, owns certain facilities and a corresponding water CCN No. 10116 for a certificated service area in Polk County, Texas.
2. Monarch is the purchaser/transferee.
3. On November 4, 2015, Romark and Monarch filed their application requesting Commission approval of the sale and transfer of Romark’s 36 acres to Monarch under CCN No. 10116 and cancel Romark’s CCN. The application requested to amend Monarch’s CCN No. 12983 to add the area previously certificated to Romark and an adjoining uncertified area of approximately 169 acres.
4. On February 10, 2016, the Administrative Law Judge entered Order No. 3, which the found the application to be administratively complete and established a procedural schedule

regarding notice and intervention.

5. On February 25, 2016, Monarch filed its affidavits regarding the provision of notice of the application. Notice of the application was provided to affected parties on February 22, 2016.
6. On June 6, 2016, Staff filed its Recommendation. Staff recommended that the Commission approve the application. Additionally, Staff recommended that Monarch has adequate financial, managerial, and technical capability to provide continuous and adequate service to customers in the service area in Polk County, Texas formerly certificated under Romark CCN No. 10116.
7. On May 11, 2016, the Administrative Law Judge issued Order No. 4, which established a procedural schedule for the processing of this proceeding.
8. On June 14, 2016, Staff filed two proposed notices of approval.

II. Conclusions of Law

1. The Commission has jurisdiction over Romark and Monarch's application under Tex. Water Code §§ 13.251 and 13.301.
2. Romark and Monarch are retail public utilities, as defined by Tex. Water Code § 13.002(19).
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. 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.
6. Monarch has demonstrated that it has adequate financial, managerial, and technical capability to provide continuous and adequate service to customers in the service area in Polk County, Texas formerly certificated under Romark's water CCN No. 10116.

III. Ordering Paragraphs

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

1. Monarch and Romark's application is approved.
2. The sale and transfer of Romark's 36 acres to Monarch under CCN No. 10116 and request to cancel Romark's CCN is approved.
3. Monarch's request to add the area previously certificated to Romark and an adjoining uncertified area of approximately 169 acres is approved.
4. Beginning July 1, 2016, and continuing monthly thereafter, Monarch and Romark shall file updates regarding the status of the transaction. Upon consummation of their sale and transfer transaction, Monarch and Romark shall file with the Commission closing documents and documents that indicate the disposition of customer deposits (if any). Within 30 days following the filing of Monarch and Romark's proof that their sale and transfer transaction has been consummated and customer deposits (if any) have been addressed, Commission Staff shall file a recommendation regarding the sufficiency of the documents and propose a procedural schedule for the continued processing of this docket.
5. 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

SUSAN E. GOODSON
ADMINISTRATIVE LAW JUDGE