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DOCKET NO. 45627

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APPLICATION OF CHARLES §
BRANCH DBA DOUCETTE WATER §
SYSTEM AND LAKESIDE WATER §
SUPPLY AND THOMAS AND DANASA §
RAWLS FOR SALE, TRANSFER, OR §
MERGER OF FACILITIES AND §
CERTIFICATE RIGHTS IN TYLER §
COUNTY §

PUBLIC UTILITY COMMISSION
TYLER COUNTY COMMISSION
FILING CLERK
OF TEXAS

COMMISSION STAFF'S SUPPLEMENTAL RECOMMENDATION

Commission Staff (Staff) of the Public Utility Commission of Texas (Commission) files its Supplemental Recommendation. In support of its Supplemental Recommendation, Staff states the following:

I. Background

Charles Branch d/b/a Doucette Water System and Lakeside Water Supply (Doucette Water System) and Thomas and Danasa Rawls (the Rawls) request the approval of the sale and transfer of certain water assets and a corresponding water certificate of convenience and necessity (CCN No. 12001) for a certificated service area in Tyler County, Texas. Doucette Water System is the seller, and the Rawls are the purchasers.

On May 20, 2016, the Administrative Law Judge entered Order No. 3, which found Doucette Water System and the Rawls' application not administratively complete. Order No.3 also permitted Doucette Water System and the Rawls the opportunity to cure the deficiencies in their application.

On April 14 and June 21, 2016, Doucette Water System and the Rawls filed additional information with the Commission.

II. Supplemental Recommendation

Staff has reviewed the additional information filed by Doucette Water System and the Rawls. Based on Staff's review of this information, Staff recommends that the Commission deem

Doucette Water System and the Rawls' application to be administratively complete.¹

Given that Staff recommends administrative completeness, Staff also recommends that the Commission continue to process this application. With regard to notice, Staff recommends that Doucette Water System and the Rawls send notice to the following entities and individuals:

- a. Any districts, groundwater conservation districts, counties, utilities, cities, cities with an extraterritorial jurisdiction within two (2) miles of the proposed service area;
- b. Any city with an extraterritorial jurisdiction which overlaps the proposed service area; and
- c. Landowners with more than 25 acres and any affected parties in the proposed service area.

In addition to those entities listed above, notice of the application should be provided to:

- a. Tyler County Water Supply Corporation;
- b. Lower Neches Valley Authority; and
- c. Southeast Texas Groundwater Conservation District.²

In providing notice, Doucette Water System and the Rawls should include a copy of a map showing the proposed service area.

III. Proposed Procedural Schedule

To assist in the processing of Doucette Water System and the Rawls' application, Staff requests that the Commission adopt the following procedural schedule:

Event	Deadline
Deadline for Doucette Water System and the Rawls to file affidavits regarding the provision of notice	July 25, 2016
Deadline for Staff to file a supplemental procedural schedule	August 8, 2016
Intervention deadline, and deadline for intervenors to file comments or request a hearing	30 days after the mailing of notice

¹ Staff's recommendation is based on the attached memorandum of Leila Guerrero of the Water Utilities Division.

² The form notice and form affidavit of notice to be used are included in Ms. Guerrero's memorandum.

IV. Conclusion

Staff recommends that: (1) Doucette Water System and the Rawls' application be deemed administratively complete; (2) Doucette Water System and the Rawls use the form notice and form affidavit attached Ms. Guerrero's memorandum to provide notice of its application; and (3) the Commission adopt the above-mentioned procedural schedule.

Date: July 5, 2016

Respectfully Submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Margaret Uhlig Pemberton
Division Director
Legal Division

Stephen Mack
Managing Attorney
Legal Division

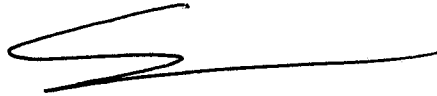


Sam Chang
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Public Utility Commission of Texas
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Austin, Texas 78711-3326
(512) 936-7261
(512) 936-7268 (facsimile)

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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on July 5, 2016,
in accordance with 16 TAC § 22.74.

A handwritten signature in black ink, appearing to be 'Sam Chang', written over a horizontal line.

Sam Chang

PUC Interoffice Memorandum

To: Sam Chang, Attorney
Legal Division

Thru: Tammy Benter, Director
Lisa Fuentes, Manager
Heidi Graham, Manager
Water Utility Regulation

From: Leila Guerrero, Regulatory Accountant/Auditor
Jolie Mathis, Engineering Specialist
Gary Horton, Jr., GIS Specialist
Water Utility Regulation

Date: June 28, 2016

Subject: **Docket No. 45627**, *Application of Charles Branch dba Doucette Water System and Lakeside Water Supply and Thomas and Danasa Rawls for Sale, Transfer, or Merger of Facilities and Certificate Rights in Tyler County*

On February 17, 2016, Charles Branch dba Doucette Water System and Lakeside Water Supply ("Doucette WS and Lakeside WS" or "Seller") and Thomas and Danasa Rawls ("Rawls" or "Buyer") (collectively, "Applicants") filed an application with the Commission for the Sale, Transfer, or Merger (STM) of all of the water system assets of Certificate of Convenience and Necessity (CCN) No. 12001 held by Doucette WS and Lakeside WS in Tyler County. The Buyer does not currently hold a CCN. If approved, this application will result in the transfer of water CCN No. 12001, including all the utility's assets, customers, and service area to the Rawls. The application is being reviewed under 16 Tex. Admin. Code §§ 24.102, 24.109 and 24.112 (TAC) and Tex. Water Code Ann. §§ 13.241, 13.246, and 13.301 (TWC).

In response to Order No. 3, the Applicant filed additional information on June 21, 2016.

Staff has reviewed the additional information provided and recommends the application be deemed sufficient for filing. The notice to neighboring systems and cities are attached. Staff further recommends the following:

- 1) The Applicant provide 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.
- 2) The Applicant provide notice the following entities in addition to those entities listed in the application, located within a 2-mile buffer of the proposed water service area requested with this application.
 - a) Tyler County WSC
 - b) Lower Neches Valley Authority
 - c) Southeast Texas GCD

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

To: _____
(Name of Customer, Neighboring System, or City)

(Address)

(City State Zip)

Date Notice Mailed: _____, 2016

Persons who wish to intervene or comment should file a request in writing with the:

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

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the Commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, Commission will not transfer the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-888-782-8477

Utility Representative

Utility Name

PUBLIC UTILITY COMMISSION



AFFIDAVIT OF NOTICE TO CUSTOMERS, NEIGHBORING UTILITIES AND AFFECTED PARTIES 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 _____, 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 _____