

Control Number: 45705



Item Number: 22

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APPLICATION OF BLUEBERRY  
HILLS WATER WORKS LLC AND  
CITY OF BEEVILLE FOR SALE,  
TRANSFER, OR MERGER OF  
FACILITIES AND CERTIFICATE  
RIGHTS IN BEE COUNTY

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PUBLIC UTILITY COMMISSION

OF TEXAS

2016 SEP 27 PM 3:33  
PUBLIC UTILITY COMMISSION  
FILING CLERK

### NOTICE OF APPROVAL

This Notice addresses the application of Blueberry Hills Water Works LLC (Blueberry WW) and the City of Beeville (Beeville) for the sale, transfer, or merger of facilities and certificate rights in Bee County. The Public Utility Commission of Texas (Commission) Staff recommended approval of the application. The application is approved.

The Commission adopts the following findings of fact and conclusions of law:

#### I. Findings of Fact

##### Procedural History, Description, and Background

1. Beeville is a municipal utility certificated to provide retail water service within its corporate limits and extraterritorial jurisdiction.
2. Blueberry WW holds water CCN No. 12772 and is an investor-owned, retail water utility in Bee County.
3. The application filed on March 8, 2016, seeks approval to transfer Blueberry WW water facilities and service area in Bee County to Beeville. The application also requests that Beeville's CCN No. 10550 be amended to reflect the transaction and that Blueberry WW's CCN No. 12772 be cancelled.
4. The applicants operate approved public water systems which are interconnected. Blueberry WW and Beeville present the application as part of a consolidation effort to transfer operations to Beeville.
5. On March 10, 2016, Order No. 1 was issued, requiring Commission Staff to file comments on the administrative completeness of the application.

6. On April 14, 2016, Order No. 2 was issued, finding Blueberry WW's notice sufficient and establishing an updated procedural schedule.
7. On April 20, 2016, Blueberry WW filed an affidavit of notice along with copies of the notice and map provided.
8. On May 11, 2016, Order No. 3 was issued, finding Blueberry WW's notice sufficient and establishing an updated procedural schedule.
9. On May 12, 2016, Order No. 4 was issued, clarifying the deadline for intervention.
10. On June 10, 2016, Commission Staff filed a recommendation that the transaction be permitted to proceed.
11. On June 15, 2016, Order No. 5 was issued authorizing the applicants to proceed with the transaction.
12. On July 15, 2016, a status report was filed indicating that Beeville had acquired the system from Blueberry WW and that it would be submitting the closing documents.
13. On July 25, 2016, Beeville provided copies of the deed, bills of sale and affidavit from City of Beeville's finance director showing that customer deposits had been properly addressed.
14. Commission Staff filed its recommendation on August 4, 2016, that the sale documents be deemed sufficient and states that deposits have been properly addressed.
15. On August 5, 2016, Order No. 6 was issued, approving the sale documents and established deadlines for the remainder of the proceeding.
16. On September 1, 2016 and September 6, 2016, Beeville filed the signed form consenting to the map and updated certificate prepared by Commission Staff.
17. The map and certificate described above are attached to this Notice.
18. On September 15, 2016, Commission Staff and applicants filed a joint motion to admit evidence and proposed notice of approval.

**Evidentiary Record**

19. On September 22, 2016, Order No. 7 was issued, admitting evidence into the record of this proceeding.

**Notice**

20. On April 11, 2016, notice was mailed and provided to neighboring systems, landowners, cities, and affected parties.
21. On March 25, 2016, notice of the application was published in the *Texas Register*.

**Informal Disposition**

22. More than 15 days have passed since completion of the notice provided in this proceeding.
23. Blueberry WW, Beeville and Commission Staff are the only parties to this proceeding.
24. No protests, motions to intervene, or requests for hearing were filed in this proceeding; therefore, no hearing was necessary.

**II. Conclusions of Law**

1. The Commission has jurisdiction and authority over these matters pursuant to Tex. Water Code Ann. (TWC) §§ 13.246, 13.254, 13.301, and 16 Tex. Admin. Code (TAC) §§ 24.109 and 24.112.
2. Beeville and Blueberry WW come within the definition retail public utility in TWC § 13.002 and 16 TAC § 24.3(58).
3. Notice of the application was provided as required by TWC § 13.301(a)(2).
4. The application was processed in accordance with the requirements of TWC § 13.301 and 16 TAC §§ 24.109 and 24.112.
5. Beeville and Blueberry WW completed the sale within one year from the date of Commission approval of the sale, consistent with 16 TAC § 24.112(e).
6. After considering the factors in TWC § 13.246(c), Blueberry WW has demonstrated adequate financial, managerial, and technical capability for providing continuous and adequate service to the requested area.
7. Beeville and Blueberry have demonstrated that the sale and transfer of the certificated service area requested in this application is necessary for the service, accommodation, convenience, and safety of the public.

8. Under TWC § 13.257(r) and 16 TAC § 24.106(f), Blueberry WW is required to record a certified copy of the approved CCN and map, along with a boundary description of the service area, in the real property records of each county in which the service area or a portion of the service area is located, and submit to the Commission evidence of the recording.
9. The requirements for informal disposition pursuant to 16 TAC § 22.35 have been met in this proceeding.

### III. Ordering Paragraphs

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

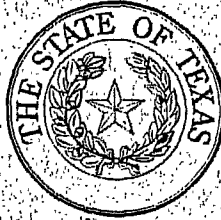
1. The application is approved and all of the Blueberry WW certificated service area and water system facilities are transferred to Beeville. Beeville's CCN No. 10550 is amended to reflect the newly transferred area.
2. Beeville shall serve every customer and applicant for service within the certificated area, and such service shall be continuous and adequate.
3. Blueberry WW shall comply with the recording requirements in TWC § 13.257(r) for the area in Bee County affected by the application and submit to the Commission evidence of the recording no later than 31 days after receipt of this Notice.
4. CCN No. 12772 held by Blueberry WW is cancelled.
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 herein, are hereby denied.

SIGNED AT AUSTIN, TEXAS the 27th day of September 2016.

PUBLIC UTILITY COMMISSION OF TEXAS



IRENE MONTELONGO  
DIRECTOR, DOCKET MANAGEMENT



# Public Utility Commission of Texas

**By These Presents Be It Known To All That**

**The City of Beeville**

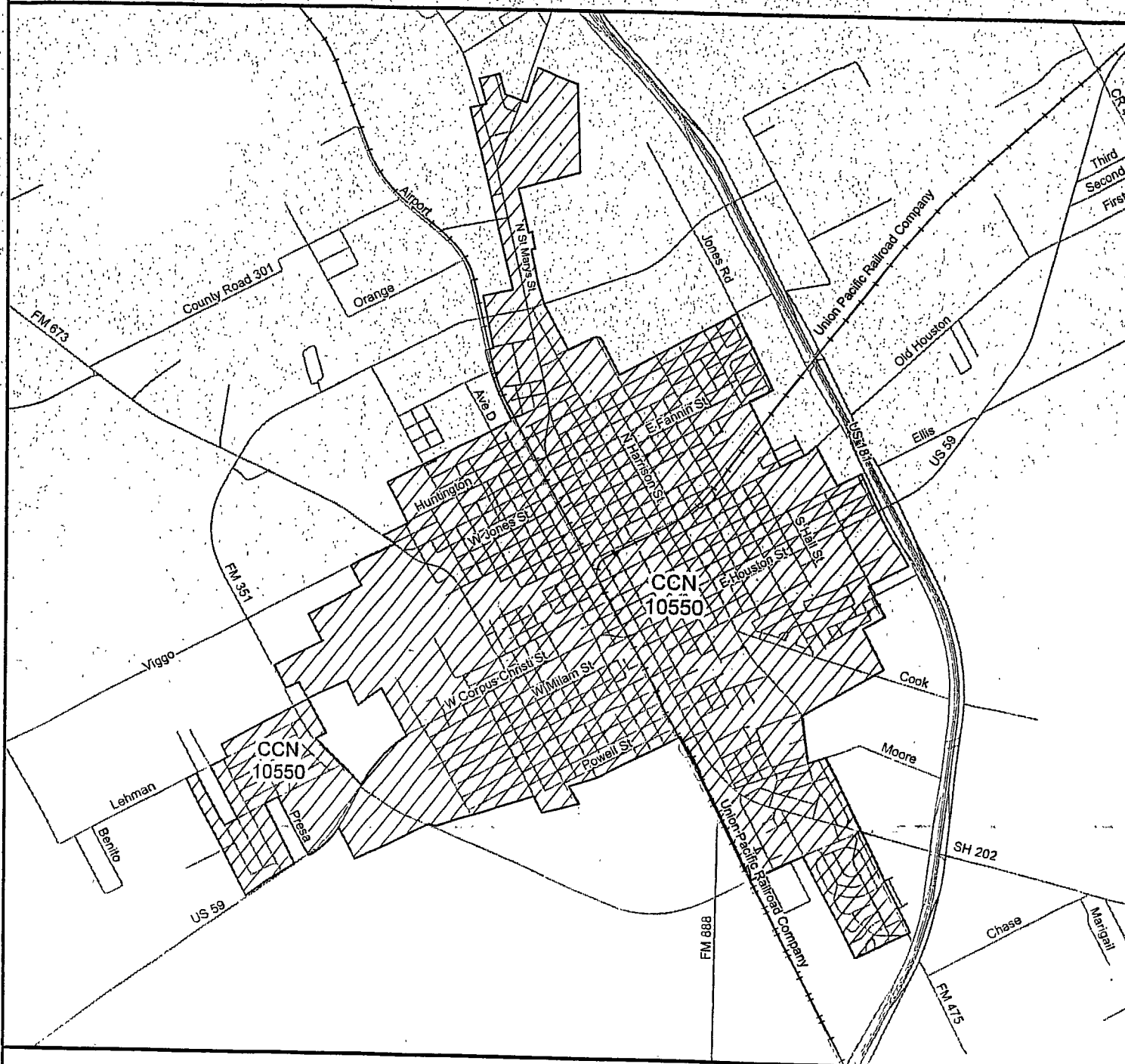
having obtained certification to provide water utility service for the convenience and necessity of the public; and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, The City of Beeville, is entitled to

## **Certificate of Convenience and Necessity No. 10550**


to provide continuous and adequate water utility service to that service area or those service areas in Bee County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 45705 are on file at the Commission offices in Austin, Texas; and are a matter of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of The City of Beeville to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, the 27th day of September 2016.

City of Beeville  
 Water Service Area  
 CCN No. 10550  
 PUC Docket No. 45705  
 Transferred all of Blueberry Hills Water Works LLC, CCN No. 12772 in Bee County



**Water CCN Service Area**

 10550 - City of Beeville

