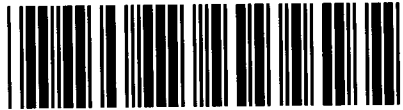


Control Number: 45715



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DOCKET NO. 45715

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APPLICATION OF VILLAS OF §  
WILLOWBROOK HOMEOWNERS §  
ASSOCIATION, INC. AND MONARCH §  
UTILITIES I, LP FOR SALE, §  
TRANSFER, OR MERGER OF §  
FACILITIES AND CERTIFICATE §  
RIGHTS IN HARRIS COUNTY §

PUBLIC UTILITY COMMISSION

OF TEXAS

**COMMISSION STAFF'S RECOMMENDATION ON SUFFICIENCY**

**COMES NOW** the Staff of the Public Utility Commission of Texas (Commission), representing the public interest and files this Recommendation on Sufficiency, and would show the following:

**I. BACKGROUND**

On March 11, 2016, Villas of Willowbrook Homeowners Association, Inc. (Willowbrook) and Monarch Utilities I, L.P. (Monarch) (collectively Applicants) filed an application for the sale, transfer, or merger of facilities and certificate of convenience and necessity rights in Harris County. Specifically, Monarch seeks approval to purchase the water and sewer system assets of Willowbrook. On April 13, 2016, Order No. 2 was issued, which found the application administratively incomplete, and required that the Applicants submit additional information and that Staff file a supplemental recommendation and propose a schedule for processing by June 10, 2016. Therefore, this pleading is timely filed.

**II. RECOMMENDATION ON SUFFICIENCY**

Staff recommends that that the application be deemed sufficient for filing, as supported by the attached memorandum of Sean Scaff, Engineering Specialist, and Gary Horton, GIS Specialist of the Water Utilities Division. Specifically, Staff requests that the applicants be required to provide notice to the entities listed in the application and in Staff's memorandum. Staff also requests that the applicant provide documentation signed by the districts listed in the memorandum allowing the applicant to provide retail service within the districts' boundaries. Finally, Staff recommends the following procedural schedule:

10

Event	Date
Deadline for Applicant to file affidavits of notice for mailed notice	July 11, 2016
Intervention deadline, and deadline for intervenors to file comments or request a hearing	30 days after the mailing or publication of notice, whichever occurs later
Deadline for Commission Staff to file a supplemental procedural schedule	August 11, 2016

**Dated: June 10, 2016**

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

Margaret Uhlig Pemberton  
Division Director

Karen S. Hubbard  
Managing Attorney




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Jason Haas  
State Bar No. 24032386  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326  
(512) 936-7295  
(512) 936-7268 (facsimile)

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on June 10, 2016 in accordance with 16 Tex. Admin. Code § 22.74.

  
\_\_\_\_\_  
Jason Haas

## PUC Interoffice Memorandum

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**To:** Jason Haas, Attorney  
Legal Division

**Through:** Tammy Benter, Director  
Water Utilities Division

**From:** Sean Scaff, Engineering Specialist  
Gary Horton, GIS Specialist  
Water Utilities Division

**Date:** June 1, 2016

**Subject:** **Docket No. 45715:** *Application of Villas of Willowbrook Homeowners Association, INC. and Monarch Utilities I, LP for Sale, Transfer, or Merger of Facilities and Certificate Rights in Harris County, Texas*

On March 11, 2016, Villas of Willowbrook Homeowners Association, Inc. (Willowbrook) and Monarch Utilities I, L.P. (Monarch) filed an application for the sale, transfer, or merger of facilities and certificate of convenience and necessity rights in Harris County. Specifically, Monarch seeks approval to purchase the water and sewer system assets of Willowbrook. Monarch also requests to amend its water Certificate of Convenience and Necessity (CCN) Nos. 12983 (water) and 20899 (sewer).

A Staff review of the above referenced application and supplemental filings finds that the application and information is sufficient for filing. Staff further recommends the following:

- 1) The Applicant be ordered to provide 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 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.
- 2) The Applicant be ordered to include copy of a map showing the proposed service area with the individual notices to neighboring utilities, and other affected parties. It is the Applicant's burden to provide an accurate map delineating the proposed area with each individual notice. Information related to districts including addresses can be obtained from the TCEQ's web site located at <http://www14.tceq.texas.gov/iwud/>.
- 3) The Applicant be ordered to return within 30 days of the Commission order, a copy of the actual notice sent, the map that was sent with the individual notice, and the attached signed affidavit that the notice was given.

In addition to the entities in the application, the applicant should also provide correct notice of the application to the attached list of entities. The list provided by the Applicant was incomplete; the complete list has been provided. It is recommended that the Applicant use the attached notice and affidavits to meet these requirements.

**Neighboring entities not included in application to be noticed:**

- Charterwood MUD
- Coastal Water Authority
- CY Champ PUD
- CY Fair Community Improvement District
- CY Forest WSC
- Cypress Creek Utility District
- Cypress Forest PUD
- Emerald Forest Utility District
- Gulf Coast Waste Disposal Authority
- Harris County
- Harris County FCD
- Harris County FWSD 52
- Harris County MUD 191
- Harris County MUD 230
- Harris County MUD 286
- Harris County MUD 468
- Harris County WCID 109
- Harris-Galveston Coastal Subsidence District
- Louetta North PUD
- Malcomson Road Utility District
- Mills Road MUD
- North Harris County Regional Water Authority
- Northwest Harris County MUD 9
- Port of Houston Authority
- Prestonwood Forest Utility District
- SC Utilities

**Additional items to be addressed during the technical review phase:**

- 1) The Applicant must provide documentation signed by the following districts allowing the Applicant to provide retail (water and/or sewer) service(s) within the district's boundaries:
  - a. CY Fair Community Improvement District (retail water)
  - b. Gulf Coast Waste Disposal Authority (retail sewer)
  - c. Harris County MUD 191 (retail water and retail sewer)

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

VILLAS OF WILLOWBROOK HOMEOWNERS ASSOCIATION'S NOTICE OF INTENT TO SELL FACILITIES AND TRANSFER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCNS) NO. 12983 AND 20899 TO MONARCH UTILITIES I, L.P. IN HARRIS COUNTY, TEXAS

To: \_\_\_\_\_ Date Notice Mailed: \_\_\_\_\_, 2016  
(Name of customer, neighboring system or city)  
\_\_\_\_\_  
(Address)  
\_\_\_\_\_  
(City State Zip)

Villas of Willowbrook Homeowners Association      8047 Villa De Norte      Houston, TX      77070  
(Seller's or Transferor's Name)      (Address)      (City) (State)      (Zip Code)

has submitted an application with the Public Utility Commission of Texas to sell facilities and transfer service area under CCN Nos. 12983 and 20899 in Harris County, Texas to:

Monarch Utilities, I, L.P.      12535 Reed Rd.      Sugarland, TX      77478  
(Purchaser's or Transferee's Name)      (Address)      (City) (State)      (Zip Code)

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 the CCN include the following subdivision(s): **Villas of Willowbrook**

The area subject to this transaction is located within approximately 18.9 miles **northwest** of downtown Houston, Texas, and is generally located on the north by ends of Villa Palmas, Vista De Oro, and Villa Arbors Streets; on the east by Stratford Way; on the south by ends of Holly Vista and Villa Arca Streets; and on the west by Schroeder Road.

The total area being requested includes approximately **10.08 acres** and serves **21 current customers**.

This transaction will have the following effect on the current customer's rates and services:  
(1) Current customer water rates will remain unchanged; (2) service quality will remain the same or improve; and (3) Monarch Utilities 1, LP customer service policies and fees will apply at the completion of this transaction when it becomes the certificated retail public water utility for the Villas of Willowbrook customers.

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

To request a hearing, you must:  
(1) state your name, mailing address and daytime telephone number;  
(2) state the applicant's name, application number or another recognizable reference to this application;  
(3) include the statement "I/we request a public hearing";  
(4) write a brief description of how you, the persons you represent, or the public interest would be adversely affected by the proposed transaction and transfer of the CCN; and  
(5) state 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

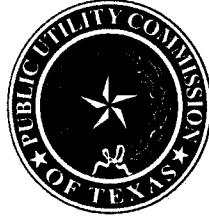
Public Utility Commission of Texas  
1701 North Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326  
**Se desea informacion en Espanol, puede llamar al 1-888-782-8477.**

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Utility Representative  
Villas of Willowbrook Home Owners Association



PUBLIC UTILITY COMMISSION



AFFIDAVIT OF NOTICE TO NEIGHBORING UTILITIES, CUSTOMERS AND AFFECTED PARTIES  
DOCKET NO. 45715

STATE OF TEXAS  
COUNTY OF Harris

Villas of Willowbrook Homeowners Association has provided individual notice to the following entities:

	DATE
_____	_____
_____	_____
_____	_____
_____	_____

OATH

I, \_\_\_\_\_, being duly sworn, file this form as \_\_\_\_\_ (indicate relationship to applicant, that is owner, member or 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 forth 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 \_\_\_\_\_, 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 \_\_\_\_\_