

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

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PUBLIC UTILITY COMMISSION  
FILING CLERK

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) 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 March 17, 2016, Order No. 1 was issued, requiring that Staff file comments/recommendation regarding administrative completeness of this application, whether additional notice may be required to comply with the applicable procedural rules, and propose a schedule for processing.

**II. RECOMMENDATION ON SUFFICIENCY**

Staff finds that that the application is deficient, and recommends that it be deemed administratively incomplete, based on the attached memorandum Sean Scaff, Engineering Specialist, and Komal Patel, GIS Specialist of the Water Utilities Division. Specifically, Staff requests that the applicants answer the questions and provide the information requested in the attached memorandum. Staff also recommends the following procedural schedule:

Event	Date
Deadline for applicants to submit additional information	May 11, 2016

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Deadline for Staff to file supplemental recommendation on sufficiency of application and propose a procedural schedule for further disposition

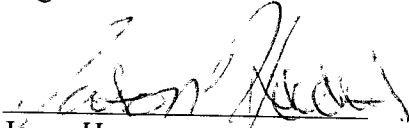
June 10, 2016

**Dated: April 11, 2016**

Respectfully Submitted,


Margaret Uhlig Pemberton  
Division Director  
Legal Division

Karen Hubbard  
Managing Attorney  
Legal Division

  
Jason Haas  
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Public Utility Commission of Texas  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on April 11, 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  
Komal Patel, GIS Specialist  
Water Utilities Division

**DATE:** April 8, 2016

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

On March 11, 2016, Villas of Willowbrook Homeowners Association, Inc. (Willowbrook) and Monarch Utilities I, L.P (Monarch) (collectively, Applicants) filed an application for a sale, transfer, merger (STM) of facilities and Certificate of Convenience and Necessity (CCN) rights in Harris County. Specifically, Monarch seeks approval to acquire the water and sewer system assets, service area and customers of Willowbrook. Monarch also requests to amend its CNN Nos. 12983 (water) and 20899 (sewer) to include the area. The application was filed pursuant to the criteria in the Tex. Water Code Ann. §§ 13.241, 13.246 and 13.301 (TWC), and 16 Tex. Admin. Code §24.102, 24.109 and 24.112 (TAC).

Based on a Staff review of the above referenced application, Staff finds that that the application is deficient; therefore, Staff recommends that the application be deemed insufficient for filing and found administratively incomplete. Specifically, Staff recommends that the Applicant address the following deficiencies:

1. Currently, 100% of the retail water and sewer services for the requested area are provided by Harris County Municipal Utility District 191 (HCMUD 191). Please explain how Monarch will provide retail water and sewer services (including information about the source of water and sewer collection and treatment) to the Villas of Willowbrook, since HCMUD 191 currently owns the supply and infrastructure to serve the area.
2. Describe how Willowbrook currently receives water from HCMUD 191 (e.g. direct pressure, through a master meter, from a storage tank take point etc...).
3. Provide a clear facility map of the proposed area that shows water and sewer distribution and transmission lines, as well as the location of the interconnect, if one exists, with HCMUD 191. If the interconnect with HCMUD 191 does exist, please label the map to show the location of the interconnect.
4. State which entity (Willowbrook or HCMUD 191) is currently responsible for drinking water compliance sampling submitted to the Texas Commission on Environmental Quality (TCEQ) (monthly, quarterly, and annually) which verifies the safety of drinking water as required for CCN areas.
5. State which entity (Willowbrook or HCMUD 191) is currently responsible for any sewer water related sampling and/or reporting to the TCEQ.

6. State which entity (Willowbrook or HCMUD 191) is currently responsible for sewer system compliance with the TCEQ.
7. Is Willowbrook currently charging rates for water and sewer service that are different than the rates charged by HCMUD 191? If "yes", please explain the difference in the rate structures.
8. Provide a copy of the wholesale water and sewer service contract between Monarch and HCMUD 191 referenced in the January 27, 2016 letter from Mr. Edward Monto.
9. Does Willowbrook currently have a Public Water System (PWS) Identification number issued by the TCEQ? If so, please provide the PWS ID number and the name of the PWS.
10. Does Willowbrook currently have a Water Quality (WQ) discharge permit number issued by the TCEQ? If so, please provide the WQ ID number and the name of the permit holder on record with the TCEQ.

Staff recommends that the application be deemed administratively incomplete. Staff also recommends that the Applicants be ordered to refrain from providing the notices required for the proposed transaction until the above mentioned deficiencies have been addressed.