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APPLICATION OF EL PINON WATER §
SUPPLY AND SIMPLY AQUATICS, §
INC. FOR SALE, TRANSFER, OR §
MERGER OF FACILITIES AND §
CERTIFICATE RIGHTS IN SAN §
AUGUSTINE COUNTY §

PUBLIC UTILITY COMMISSION
OF TEXAS

PUBLIC UTILITY COMMISSION
FILING CLERK

**COMMISSION STAFF'S SUPPLEMENTAL RECOMMENDATION FINDING
APPLICATION ADMINISTRATIVELY COMPLETE**

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Response to Order No. 6 and Supplemental Recommendation Finding Application Administratively Complete. In support thereof, Staff shows the following:

I. Background

On July 14, 2016, El Pinon Water Supply (El Pinon) and Simply Aquatics, Inc. (Simply Aquatics) (collectively the Applicants) filed an application for the sale, transfer, or merger of facilities and certificate rights in San Augustine County. Specifically, Simply Aquatics seeks approval to acquire all of the water system assets of El Pinon held under water certificate of convenience and necessity (CCN) No. 12206, and the certificate itself. The total area being requested includes approximately 69 acres and serves 76 current customers.

On March 15, 2017, Order No. 6 was issued finding the application administratively incomplete and deficient and requiring the Applicants to amend the application to cure the deficiencies identified by Staff by March 28, 2017. On April 12, 2017, the Applicants filed supplemental application materials, curing the deficiencies identified by Staff. Order No. 6 also required Staff to file a supplemental recommendation regarding the administrative completeness of the amended application and propose additional deadline as appropriate with 10 working days of the Applicants' filing. Accordingly, this pleading is timely filed.

II. Recommendation on Administrative Sufficiency

Staff has reviewed the application and notice in accordance with Tex. Water Code Ann. § 13.301 (TWC) and 16 Tex. Admin. Code §§ 24.8, 24.109 and 24.112 (TAC) and, as supported by the attached memorandum from Patricia Garcia, Engineer and Tracy Montes, GIS Specialist with

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the Water Utilities Division, Staff recommends that the application be deemed administratively complete and accepted for filing pursuant to 16 TAC § 24.8(a). In addition, Staff recommends the following:

1. The Applicants provide notice to the following:
 - a) any districts, utilities, and cities within two (2) miles of the proposed area;
 - b) the county judge of each county and each groundwater conservation district that is wholly or partly included in the proposed area to be certified;
 - c) each city with an extraterritorial jurisdiction (ETJ) that is wholly or partly included in the proposed area to be certified;
 - d) any customers transferred, or other affected parties in the proposed area.

2. The Applicants provide notice to the following entities:
 - a) El Pinon Water Supply (CCN No. 12206)
 - b) Angelina & Neches River Authority
 - c) Deep East Texas Groundwater Conservation District
 - d) San Augustine County Judge

Within 30 days of the Commission order, Staff recommends that the Applicants be required to file a copy of the actual notices issued, the map issued with the individual mailed notices, and the signed affidavits (copies attached), indicating that the notices were given.

III. Proposed Procedural Schedule

Staff proposes the following procedural schedule:

Event	Deadline
Deadline for Applicants to file affidavits of proof of notice.	June 13, 2017
Deadline for Staff to file comments on proof of notice.	Within 10 working days of Applicants filing proof of completed notice with the Commission
Deadline for intervention; deadline for intervenors to request a hearing on the merits	30 days after notice is issued

IV. Conclusion

Staff respectfully requests that an order be issued consistent with this Recommendation.

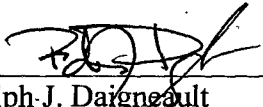
Dated: April 26, 2017

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Karen S. Hubbard
Managing Attorney

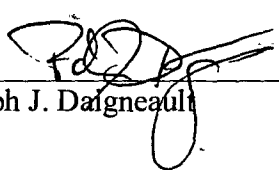


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DOCKET NO. 46169

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on April 26, 2017, in accordance with 16 TAC § 22.74.



Ralph J. Daigneault

PUC Interoffice Memorandum

To: Ralph Daigneault
Legal Division

Thru: Lisa Fuentes, Manager
Water Utilities Division

From: Patricia Garcia, Engineering Specialist
Water Utilities Division

Date: April 24, 2017

Subject: **Docket 46169**, *Application of El Pinon Water Supply and Simply Aquatics, Inc. for Sale, Transfer or Merger of Facilities and Certificate Rights in San Augustine County*

On July 14, 2016, Simply Aquatics, Inc. (Simply Aquatics or Purchaser) and El Pinon Water Supply (El Pinon or Seller), (Collectively Applicants), filed an application for the sale, transfer, or merger of facilities and certificate rights in San Augustine County, Texas pursuant to Texas Water Code Ann. § 13.301 (TWC) and the 16 Tex. Admin. Code §§ 24.109 and 24.112 (TAC). Specifically, Simply Aquatics seeks approval to acquire facilities, customers and service area under El Pinon's Certificate of Convenience and Necessity (CCN) No. 12206. If approved, Simply Aquatics will be issued a water CCN and CCN No. 12206 will be cancelled.

In response to Order No. 6, the Applicants filed requested information on April 12, 2017. Staff has reviewed the information and recommends that the application be deemed sufficient for filing and administratively complete. Staff further recommends the following:

1. The Applicants provide notice to the following:
 - a) any districts, utilities, and cities within two (2) miles of the proposed area;
 - b) the county judge of each county and each groundwater conservation district that is wholly or partly included in the proposed area to be certified;
 - c) each city with an extraterritorial jurisdiction (ETJ) that is wholly or partly included in the proposed area to be certified;
 - d) any customers transferred, or other affected parties in the proposed area.

2. The Applicants provide notice to the following entities:
 - a) El Pinon Water Supply (CCN No. 12206)
 - b) Angelina & Neches River Authority
 - c) Deep East Texas Groundwater Conservation District
 - d) San Augustine County Judge

Within 30 days of the Commission order, Staff recommends that the Applicants be required to file a copy of the actual notice sent and notarized affidavit attesting that the notice was given.

Notice to Current Customers, Neighboring Systems, and Cities

SIMPLY AQUATICS, INC.'S NOTICE OF INTENT TO PURCHASE WATER FACILITIES AND TO TRANSFER CERTIFICATED SERVICE AREA UNDER CCN NO. 12206 FROM EL PINON WATER SUPPLY IN SAN AUGUSTINE COUNTY, TEXAS

To: _____ Date Notice Mailed: _____, 2017
(Name of Customer, Neighboring System, or City)

(Address)

(City State Zip)

Simply Aquatics, Inc. P.O. Box 849 Kirbyville TX 75956
(Purchaser's or Transferee's Name) (Address) (City) (State) (Zip Code)

has submitted an application with the Public Utility Commission of Texas (Commission) to obtain a CCN, purchase water facilities, transfer water service area and cancel CCN No. 12206 of

El Pinon Water Supply 9810 State Highway 184 Broaddus TX 75930-5502
(Seller's or Transferor'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 water service area includes the following subdivision:
El Pinon Estates Water System

The proposed area subject to this transaction is located approximately 8.5 miles southwest of downtown Pineland, Texas, and is generally bounded on the north by CR 483; on the east by Utah Street; on the south approximately 100 feet south of CR 488; and on the west by FM 705.

The total proposed area for the CCN being requested includes approximately 69 acres and 75 current customers.

This transaction will have the following effect on the current customers' rates and services: No change.

You may request a public hearing. A request for a public hearing must be in writing and include: (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, docket number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application which would satisfy your concerns and cause you to withdraw your request for a hearing.

Hearing requests, comments or requests to intervene should be filed with the:

Public Utility Commission of Texas
Central Records
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 will receive notice if a hearing is scheduled.

If a valid public hearing is requested, the Commission 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, SOAH will submit a recommendation to the Commission for final decision. An evidentiary hearing is a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-512-936-7221

Utility Representative

Utility Name

PUBLIC UTILITY COMMISSION



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, NEIGHBORING UTILITIES AND
AFFECTED PARTIES
DOCKET NO. 46169

STATE OF TEXAS
COUNTY OF _____

_____ has provided individual
notice to the following entities and customers:

	DATE
_____	_____
_____	_____
_____	_____
_____	_____

OATH

I, _____, being duly sworn, file this form as
_____ (indicate relationship to applicant, that is,
owner, member of 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 for 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 _____, 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 _____