



Control Number 46170



Item Number 5

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APPLICATION OF VISTA VERDE §
WATER SYSTEMS INC. AND SIMPLY §
AQUATICS, INC. FOR SALE, §
TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN MONTGOMERY COUNTY §

PUBLIC UTILITY COMMISSION

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OF TEXAS PUBLIC UTILITY COMMISSION
FILING CLERK

**COMMISSION STAFF'S RECOMMENDATION FINDING APPLICATION
ADMINISTRATIVELY INCOMPLETE**

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Response to Order No. 1 and Recommendation Finding Application Administratively Incomplete. In support thereof, Staff shows the following:

I. Background

On July 14, 2016, Vista Verde Water Systems, Inc. and Simply Aquatics, Inc. (Simply Aquatics) filed an application for the sale, transfer, or merger of facilities and certificate rights in Montgomery County. Specifically, Simply Aquatics seeks approval to acquire all of the water system assets of Vista Verde held under water certificate of convenience and necessity (CCN) No. 13034, and the certificate itself. The total area being requested includes approximately 25 acres and serves 45 current customers.

On July 18, 2016, Order No. 1 was issued requiring Staff to file comments on the administrative completeness of the application and proposed notice and propose a procedural schedule by August 15, 2016. 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 the Water Utilities Division, Staff recommends that the application be deemed administratively incomplete and deficient in mapping content. Pursuant to 16 TAC § 24.8(a), applications are not

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considered filed until a determination of administrative completeness is made. In order to continue processing the application, Staff recommends Simply Aquatics provide the following requested information:

Application Content:

- 1) File the signed and notarized Seller's oath.

Mapping Content:

- 1) Provide a small scale (general location) map showing only the proposed area with enough detail to be accurately located in the vicinity of the nearest town, city, or county
- 2) Provide a large scale (detailed) map showing only the proposed area with enough detail to be accurately located in reference to verifiable man-made and/or natural landmarks such as roads, railroads, and rivers.
- 3) File a complete list of entities within a two (2) mile buffer of the proposed area.

Staff's review of STM applications is a meticulous, time intensive practice, and Staff has limited resources to process this kind of application. Simply Aquatics has the burden of providing the required information with its application in a timely manner. Processing of the application cannot proceed until the requested items are received and reviewed. In order to afford Staff the opportunity to provide a thorough analysis of this application, Staff respectfully recommends that Simply Aquatics cure the deficiencies in its application by September 15, 2016 and that Staff be required to provide a supplemental recommendation by October 17, 2016.

III. Proposed Procedural Schedule

Due to the deficiencies in the application, Staff does not recommend a procedural schedule for the evaluation of the merits at this time. Staff recommends that Simply Aquatics cure the deficiencies in its application by September 15, 2016 and that Staff be required to provide a supplemental recommendation by October 17, 2016.

IV. Conclusion

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

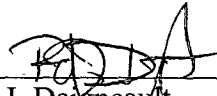
Dated: August 15, 2016

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Karen S. Hubbard
Managing Attorney

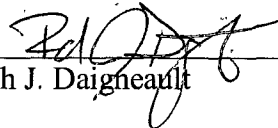


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DOCKET NO. 46170

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on August 15, 2016, in accordance with 16 TAC § 22.74.



Ralph J. Daigneault

PUC Interoffice Memorandum

To: Ralph Daigneault
Legal Division

Thru: Tammy Benter, Director
Lisa Fuentes, Work Lead
Water Utilities Division

From: Patricia Garcia, Staff Engineer
Tracy Montes, GIS Specialist
Water Utilities Division

Date: August 15, 2016

Subject: **Docket 46170**, *Application of Vista Verde Water Systems, Inc. and Simply Aquatics, Inc. for Sale, Transfer, or Merger of Facilities and Certificate Rights in Montgomery County*

On July 14, 2016, Simply Aquatics, Inc. (Simply Aquatics or Purchaser) and Vista Verde Water Systems, Inc. (Vista Verde or Seller), Certificate of Convenience and Necessity (CCN) No. 13034, filed an application for the sale, transfer, or merger of facilities and certificate rights in Montgomery 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 all of the water system assets, customers and service area under CCN No. 13034. If approved, Simply Aquatics will be issued a water CCN to serve the area formerly covered by CCN No. 13034 and CCN No. 13034 will be cancelled.

A Staff review of the above referenced application found deficiencies in the required application and mapping information; therefore, Staff recommends that the application be deemed insufficient for filing and thus found administratively incomplete. Further, Staff recommends the Applicants address the following:

Application Content

- 1) File the signed and notarized Seller's oath.

Mapping Content

- 1) Provide a small scale (general location) map showing only the proposed area with enough detail to be accurately located in the vicinity of the nearest town, city, or county
- 2) Provide a large scale (detailed) map showing only the proposed area with enough detail to be accurately located in reference to verifiable man-made and/or natural landmarks such as roads, railroads, and rivers.
- 3) File a complete list of entities within a two (2) mile buffer of the proposed area.

Staff recommends Simply Aquatics contact Tracy Montes for guidance resolving these mapping deficiencies.