



Control Number: 46205



Item Number: 11

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APPLICATION OF JOHN FRIAS
WASTE WATER UTILITY AND
OLMITO WATER SUPPLY
CORPORATION FOR SALE,
TRANSFER, OR MERGER OF
FACILITIES AND CERTIFICATE
RIGHTS IN CAMERON COUNTY

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PUBLIC UTILITY COMMISSION

OF TEXAS

2016 OCT -3 PM 1:3
PUBLIC UTILITY COMMISSION
FILING CLERK

COMMISSION STAFF'S RECOMMENDATION ON SUFFICIENCY OF NOTICE

COMES NOW the Staff of the Public Utility Commission of Texas, representing the public interest, and files Commission Staff's Response to Order No. 2 and would show the following:

I. BACKGROUND

On July 22, 2015, John Frias Waste Water Utility (Frias) and Olmito Water Supply Corporation (Olmito) filed an application for sale, transfer, or merger of certificate rights in Cameron County. Applicants seek approval of a sale, transfer or merger in which Olmito will acquire all of Frias's certificated service area under sewer Certificate of Convenience and Necessity (CCN) No. 20714 in Cameron County, and associated facilities. Olmito's CCN would be amended. There are 79 customers.

On August 24, 2016, in Order No. 2, the Commission administrative law judge (ALJ) directed Staff to file, on or before October 3, 2016, a recommendation regarding the sufficiency of notice and an additional procedural schedule. Staff's recommendation and proposed procedural schedule is therefore timely filed.

II. COMMENTS ON SUFFICIENCY OF NOTICE

Staff has reviewed the copies of actual notice issued, the map issued with the individual mailed notice, and a signed affidavit indicating that notice was given. Based upon the attached recommendation of Fred Bednarski, Jolie Mathis, and Gary Horton of the Water Utilities Division, Staff recommends that the notice be deemed sufficient in accordance with Tex. Water Code Ann. § 13.246 and 16 Tex. Admin. Code § 24.106 (TAC).

III. PROPOSED PROCEDURAL SCHEDULE

Staff proposes the following procedural schedule:

Event	Date
Notice Completed	September 9, 2016
Deadline for intervention	October 10, 2016 ¹
Deadline for Staff to request a hearing or file a recommendation on the approval of the sale and on the CCN amendment	November 9, 2016
Deadline for parties to file a response to Staff's recommendation	November 28, 2016
120 day deadline for the Commission to approve the sale or require a hearing	January 7, 2016 ²

IV. CONCLUSION

Staff respectfully requests that an order be issued consistent with the recommendations contained herein.

¹ Pursuant to 16 TAC § 24.106(a)(3), the intervention deadline is 30 days after the mailing of notice or the next business day thereafter. Notice was mailed on September 9, 2016; Therefore, 30 days after is October 9, 2016. The next business day is October 11, 2016.

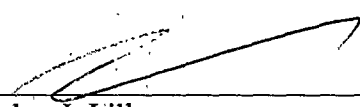
² Pursuant to 16 TAC § 24.109, the deadline for Commission action is 120 days after the later of either when the application is filed, when notice was mailed, or when notice is published. One hundred and twenty days after September 9, 2016 is January 7, 2017.

PUBLIC UTILITY COMMISSION
LEGAL DIVISION

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director

Karen S. Hubbard
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DOCKET NO. 46205

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on October 3, 2016, in accordance with P.U.C. Procedural Rule 22.74.



Landon J. Lill

PUC Interoffice Memorandum

To: Landon Lill, Attorney
Legal Division

Thru: Heidi Graham, Engineer Director
Water Utilities Division

From: Fred Bednarski III, Financial Examiner
Jolie Mathis, Engineer Specialist
Gary Horton, GIS Review Specialist
Water Utilities Division

Date: October 3, 2016

Subject: **Docket No. 46205**, *Application of John Frias and Olmito Water Supply Corporation for Sale, Transfer or Merger of Facilities and Certificate Rights in Cameron County*

On July 22, 2016, Olmito Water Supply Corporation, (Purchaser or Olmito), Certificate of Convenience and Necessity (CCN) No. 20784, and John Frias, (Seller or Frias), CCN No. 20714, (collectively, Applicants), filed an application for sale, transfer or merger (STM) of facilities and certificate rights in in Cameron County. The application was filed under the provisions in the Tex. Water Code Ann. § 13.301 (TWC) and 16 Tex. Admin Code §§ 24.109 and 24.112 (TAC). Specifically, Olmito seeks approval to acquire the water system assets, customers and service area of the Seller and to cancel Certificate of Convenience and Necessity (CCN) No. 20714. Olmito plans to incorporate the service area into their CCN No. 20784.

Olmito filed notice documentation on September 22, 2016 and September 30, 2016. Staff has since reviewed the documentation and determines that notice is sufficient and meets the requirements of TWC § 13.246 and 16 TAC § 24.106.