



Control Number: 46205



Item Number: 24

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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 §

PUBLIC UTILITY COMMISSION

OF TEXAS

PUBLIC UTILITY COMMISSION
FILING CLERK

COMMISSION STAFF'S FINAL RECOMMENDATION

COMES NOW the Commission Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and files this Recommendation in response to Order No. 5. In support thereof, Staff 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 June 6, 2017, the Administrative Law Judge (ALJ) issued Order No. 6 finding the documentation of the sale sufficient. The Order set July 6, 2017, as the deadline for Staff to file a final recommendation on the application. Staff's recommendation is therefore timely filed.

II. Recommendation

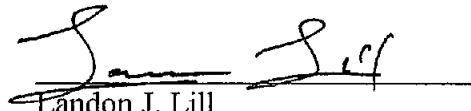
As supported by the attached memorandum of Fred Bednarski of the Water Utilities Division, Staff has reviewed the closing documents filed by the Applicants and recommends the application be approved. Staff also recommends that the Applicant file certified copies of the CCN map along with written description of the CCN service area in the appropriate county clerk's office pursuant to Tex. Water Code. § 13.257(r)-(s). Staff, along with Olmito and Frias will file a joint proposed notice of approval on July 20, 2017, as require by Order No. 6.

PUBLIC UTILITY COMMISSION
LEGAL DIVISION

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director

Karen S. Hubbard
Managing Attorney


A handwritten signature in black ink, appearing to read "Landon J. Lill", is written over a horizontal line.

Landon J. Lill
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P.U.C. DOCKET NO. 46205

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on July 6, 2017,
in accordance with P.U.C. Procedural Rule 22.74.

A handwritten signature in black ink, appearing to read "Landon J. Lill", is written over a horizontal line.
Landon J. Lill

PUC Interoffice Memorandum

To: Landon Lil, Attorney
Legal Division

Thru: Tammy Benter, Director
Heidi Graham, Technical Manager
Water Utilities Division

From: Fred Bednarski, Financial Examiner
Water Utilities Division

Date: July 06, 2017

Subject: **Docket 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 wastewater 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.

Approving this application and transferring the requested service area, facilities and customers from John Frias to Olmito Water Supply Corporation is necessary for the service, accommodation, convenience and safety of the public.

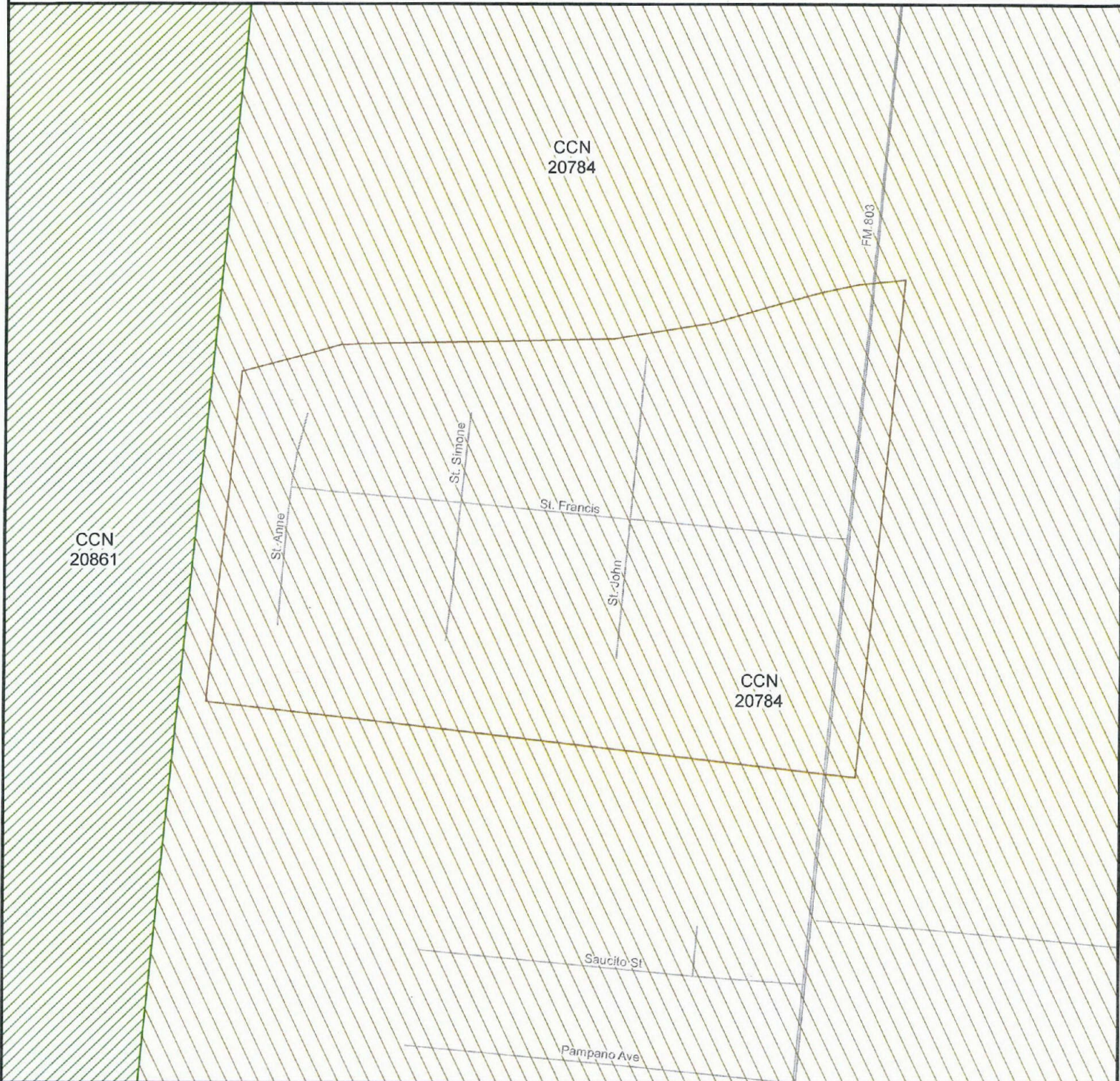
Attached is the map and certificate that, if adopted, would effectuate the requested transaction.

The Applicants consented to the attached map and certificate on June 13, 2017.

Staff further recommends that the Applicant file certified copies of the CCN map along with a written description of the CCN service area in the appropriate county clerk's office pursuant to TWC §§ 13.257 (r) and (s).


Olmito Water Supply Company
Portion of Sewer CCN No. 20784
PUC Docket No. 46205

Transferred all of John Frias Waste Water Utility, CCN No. 20714 in Cameron County



Public Utility Commission of Texas
1701 N. Congress Ave
Austin, TX 78701

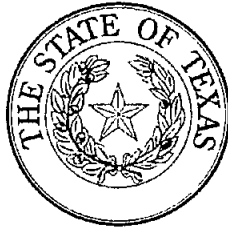
Sewer CCN

-  20784 - Olmito Water Supply Company
-  20861 - East Rio Hondo WSC

0 200 400
Feet



Map by: Komal Patel
Date created: June 12, 2017
Project Path: n:\finalmapping\46205OlmitoWSC.mxd



Public Utility Commission of Texas

By These Presents Be It Known To All That

Olmito Water Supply Corporation

having obtained certification to provide sewer utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, Olmito Water Supply Corporation is entitled to this

Certificate of Convenience and Necessity No. 20784

to provide continuous and adequate sewer utility service to that service area or those service areas in Cameron County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 46205 are on file at the Commission offices in Austin, Texas; and are a matter of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of Olmito Water Supply Corporation to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, the _____ day of _____ 2017.