



Control Number: 46205



Item Number: 29

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DOCKET NO. 46205

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

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PUBLIC UTILITY COMMISSION
FILING CLERK

NOTICE OF APPROVAL

This Notice addresses the application of John Frias Waste Water Utility and Olmito Water Supply Corporation for the sale, transfer, or merger of facilities and certificate rights in Cameron County. Commission Staff recommends approval of the application, as amended. The application, as amended, is approved.

The Commission adopts the following findings of fact, conclusions of law and ordering paragraphs.

I. Findings of Fact

Procedural History

1. On July 22, 2016, John Frias and Olmito filed an application for the sale and transfer of all of John Frias's sewer facilities, customers, and service area to Olmito. On August 9 and September 27, 2016, John Frias provided supplemental documentation.
2. John Frias holds CCN No. 20714 in Cameron County.
3. Olmito holds CCN No. 20784 in Cameron County.
4. Approval of the application would transfer the service area and sewer system facilities held by John Frias under CCN No. 20714, and associated customers, to Olmito under CCN No. 20784. CCN No. 20714 will be cancelled.
5. The application affects approximately 36 acres and 79 current customers.
6. On August 24, 2016, Order No. 2 was issued, finding that the application was sufficient and complete and establishing a procedural schedule.

7. On October 5, 2016, Order No. 3 was issued, finding the notice of this application as provided to be sufficient and establishing a further procedural schedule.
8. On November 9, 2016, Commission Staff recommended that the transaction be permitted to proceed. Commission Staff recommended that Olmito has the financial, managerial, and technical capability to service the area currently included in John Frias's CCN No. 20714.
9. On November 14, 2016, Order No. 4 was issued, authorizing the transaction to proceed and instructing the applicants to provide monthly status reports and documents evidencing that the transaction has been consummated and customer deposits (if any) have been addressed
10. On May 11, 2017, applicants filed proof of consummation of the transaction in the form of an affidavit of closing. The affidavit included a sworn statement that there were no customer deposits to be transferred.
11. On June 6, 2017, Order No. 6 was issued, finding the closing documentation sufficient and complete and establishing procedural deadlines for the remainder of the proceeding.
12. On June 19, 2017, Olmito WSC filed a consent form agreeing to the final map and certificate as prepared by Commission Staff.
13. On August 8, 2017, Commission Staff filed a joint proposed notice of approval and request to admit evidence, and provided a revised map and certificate for Olmito.
14. The certificate and map described in Finding of Fact No. 12 and 13 are attached to this Notice.
15. On August 17, 2017, Order No. 8 was issued, admitting evidence into the record of this proceeding.

Notice

16. Notice of the application was published in the *Texas Register* on August 5, 2016.
17. Notice of the application was mailed to current customers, neighboring systems, landowners, cities and affected parties on September 9, 2016 and September 12, 2016.

18. On September 22, 2016, John Frias filed a list of customers to whom mailed notice was provided.
19. On September 30, 2016, John Frias filed affidavits as proof of mailed notice.

Informal Disposition

20. More than 15 days have passed since completion of the notice provided in this docket.
21. No person has requested a public hearing on the application.
22. John Frias, Olmito, and Commission Staff are the only parties to this proceeding.

II. Conclusions of Law

1. The Commission has jurisdiction over these matters under Texas Water Code §§ 13.242, 13.246, 13.254 and 13.301 (TWC).
2. John Frias and Olmito are retail public utilities as defined in TWC § 13.002(19) and 16 Texas Administrative Code § 24.3(59) (TAC).
3. Public notice of the application was provided as required by TWC § 13.301(a)(2).
4. The application was processed in accordance with the requirements of the TWC § 13.301 and 16 TAC § 24.109.
5. John Frias and Olmito completed the sale within one year from the date of the Commission's approval of the sale, consistent with 16 TAC § 24.112(e).
6. After consideration of the factors in TWC § 13.246(c), Olmito has demonstrated adequate financial, managerial, and technical capability for providing adequate and continuous service to every consumer within the proposed service area, as required by TWC § 13.301(b).
7. John Frias and Olmito have demonstrated that the sale and transfer of service area and facilities and the cancellation of CCN No. 20714 requested in this application are in the public interest, as required by TWC § 13.301(d).
8. John Frias and Olmito have demonstrated that the sale and transfer of service area and facilities requested in this application are necessary for the service, accommodation, convenience, or safety of the public, as required by 16 TAC § 13.246(b).

9. In accordance with TWC § 13.257(r) and 16 TAC § 24.106(e), Olmito is required to record a certified copy of the approved CCN and map, along with a boundary description of the service area, in the real property records of each county in which the service area or a portion of the service area is located, and submit to the Commission evidence of the recording.
10. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.


III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following Order:

1. The application, as amended, is approved.
2. John Frias's sewer CCN No. 20714 is cancelled.
3. The service area and facilities in Cameron County associated with CCN No. 20714 are transferred from John Frias WWU to Olmito WSC.
4. Olmito's CCN No. 20784 is amended to include the service area transferred from John Frias.
5. Olmito shall serve every customer and qualified service applicant within its service area and such service shall be continuous and adequate.
6. Olmito shall comply with the recording requirements of TWC § 13.257(r) for the area in Cameron County affected by the transfer and submit to the Commission evidence of the recording no later than 31 days after receipt of this Notice.
7. Olmito, as a retail public utility, is required to collect and remit the Regulatory Assessment Fee to the Commission annually.
8. All other motions, requests for entry of specific findings of fact or conclusions of law, and any other requests for general or specific relief, if not expressly granted herein, are hereby denied.

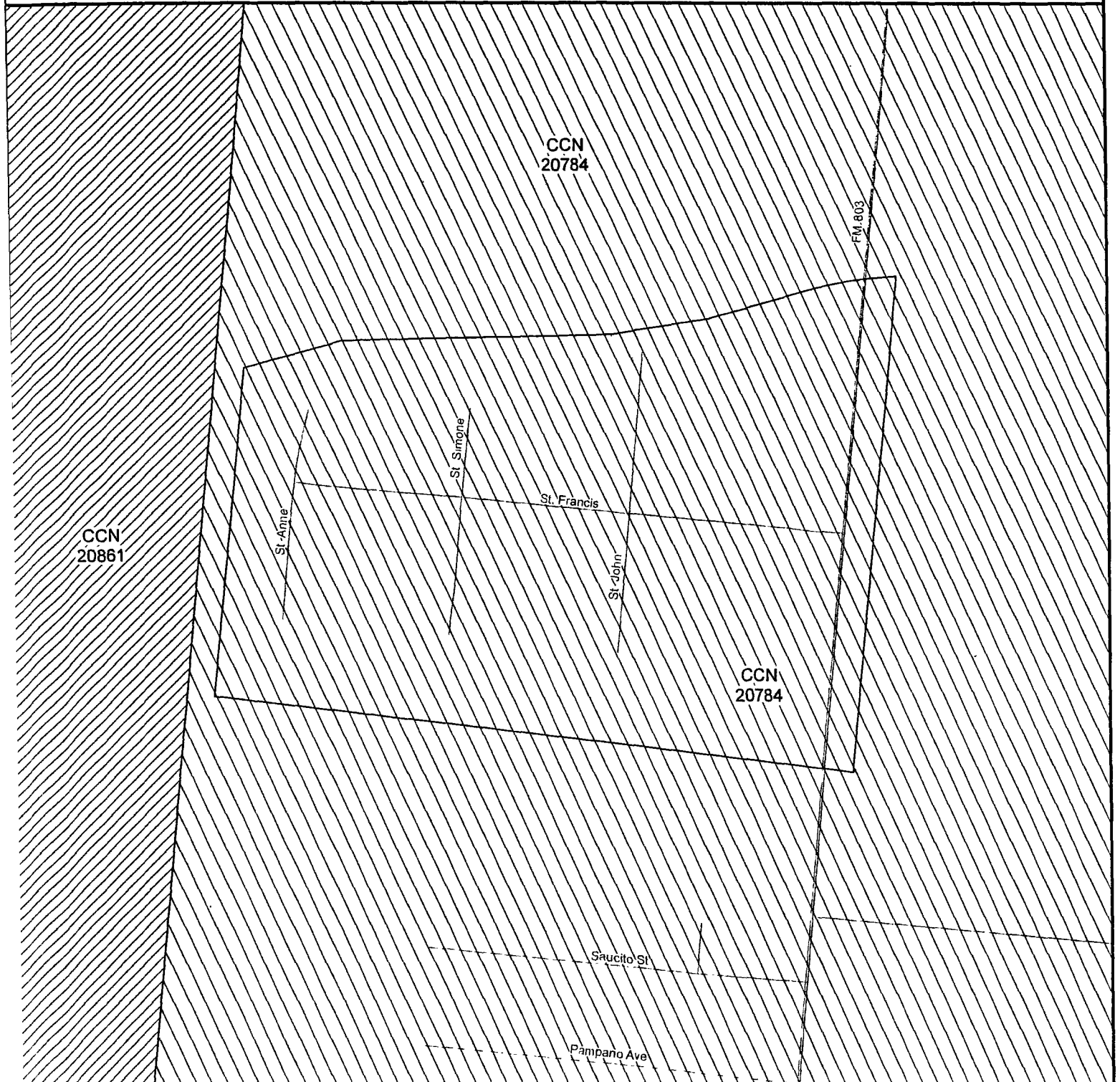
SIGNED AT AUSTIN, TEXAS on the 17th day of August 2017.

PUBLIC UTILITY COMMISSION OF TEXAS

A handwritten signature in cursive script, reading "Susan E. Goodson", written over a horizontal line.



SUSAN E. GOODSON
ADMINISTRATIVE LAW JUDGE

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

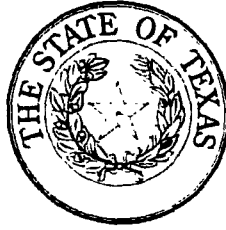
Sewer CCN

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

0 200 400
Feet



Map by: Kon Patel



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 17th day of August 2017.