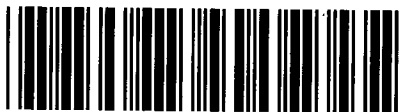




Control Number: 46745



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Addendum StartPage: 0

APPLICATION OF ORBIT SYSTEMS, §
INC. AND UNDINE, TEXAS, LLC FOR §
THE SALE, TRANSFER, OR MERGER §
OF FACILITIES AND CERTIFICATE §
RIGHTS IN BRAZORIA, FORT BEND, §
AND MATAGORDA COUNTIES §
§

PUBLIC UTILITY COMMISSION
OF TEXAS

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COMMISSION STAFF'S RECOMMENDATION ON SUFFICIENCY OF NOTICE

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest and files this Recommendation on Sufficiency of Notice.

I. BACKGROUND

On January 9, 2017, Orbit Systems, Inc. (Orbit) and Undine, Texas, LLC (Undine) (collectively, Applicants) filed an application for the sale, transfer, or merger of facilities and certificate rights in Brazoria, Fort Bend, and Matagorda Counties. Undine seeks to acquire a portion of water and wastewater assets of Orbit under water certificate of convenience and necessity (CCN) 11982 and sewer CCN No. 20682.

On February 10, 2017, the administrative law judge issued Order No. 2, which established March 10, 2017 as the deadline for Applicants to file affidavits of mailed and published notice. The Order also required Staff to file a recommendation on sufficiency of notice and propose an additional procedural schedule within 10 days of the applicants filing proof of completed notice with the Commission. On March 10, 2017, the Applicants filed proof of notice. This pleading is therefore timely filed.¹

II. SUFFICIENCY OF NOTICE

Applicants mailed notice on March 3, 2017. Applicants also published notice in Matagorda County on February 26, 2017 and March 5, 2017; in Fort Bend County on February 23, 2017 and March 2, 2017; and Brazoria County on February 23, 2017 and February 27, 2017. Staff has reviewed the Applicants' proof of notice and, as supported by the attached memorandum from

¹ Ten days after March 10, 2017 is March 20, 2017.

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Gregory Charles of the Commission's Water Utility Regulatory Division, recommends that the provided notice be found sufficient.

III. PROPOSED PROCEDURAL SCHEDULE

Staff proposes the following procedural schedule.

Event	Date
Notice completed	March 5, 2017
Deadline for intervention	April 4, 2017 ²
Deadline for Staff to request a hearing or file a recommendation on the approval of the sale and on the CCN amendment	May 4, 2017
Deadline for parties to file a response to Staff's recommendation	May 18, 2017
120 day deadline for the Commission to approve the sale or require a hearing	July 3, 2017 ³

IV. CONCLUSION

Staff respectfully recommends that the notice be deemed sufficient and that the proposed procedural schedule be adopted.

² Pursuant to 16 Tex. Admin. Code § 24.106(a)(3) (TAC), the intervention deadline is 30 days after mailing or publication of notice, whichever occurs later. Notice was mailed on March 3, 2017 and published on February 26, 2017 and March 5, 2017 in Matagorda County; February 23, 2017 and March 2, 2017 in Fort Bend County; and February 23, 2017 and February 27, 2017 in Brazoria County. Therefore, 30 days after March 5, 2017 is April 4, 2017.

³ 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 March 5, 2017 is July 3, 2017.

Date: March 20, 2017

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director

Katherine Lengieza Gross
Managing Attorney



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DOCKET NO. 46745

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this March 20, 2017, in accordance with 16 TAC § 22.74.



Vera Dygert

PUC Interoffice Memorandum

To: Vera Dygert, Attorney
Legal Division

Thru: Heidi Graham, Manager
Lisa Fuentes, Manager
Water Utilities Division

From: Greg Charles, Engineering Specialist
Water Utilities Division

Date: March 17, 2017

Subject: **Docket 46745**, *Application of Orbit Systems, Inc. and Undine Texas, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Brazoria, Fort Bend, and Matagorda Counties*

On January 9, 2017, Orbit Systems, Inc., (Orbit or Seller) and Undine Texas, LLC (Undine or Purchaser), (collectively Applicants), filed an application for the sale, transfer, or merger of facilities and certificate rights in Brazoria, Fort Bend, and Matagorda Counties, Texas pursuant to Texas Water Code Ann. § 13.301 (TWC) and the 16 Tex. Admin. Code §§ 24.109 and 24.112 (TAC). Specifically, Undine seeks approval to acquire a portion of the water and sewer system assets, customers and service areas under Orbit's Certificate of Convenience and Necessity (CCN) No. 11982 (water) and No. 20682 (sewer). If approved, Undine will request new CCN numbers for water and sewer to serve the areas formerly covered by CCN No. 11982 and CCN No. 20682, which will be retained by Orbit.

In response to Order No. 2, the Applicant provided public notice to customers, neighboring systems, and affected parties in Brazoria, Fort Bend, and Matagorda Counties. Affidavits stating that the notices were provided to all affected parties were filed with the PUC on March 10, 2017. Staff reviewed the notices submitted along with the affidavits and recommends they be deemed sufficient.