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DOCKET NO. 46806

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PUBLIC UTILITY COMMISSION
FILING CLERK

APPLICATION OF MELVIN BLOCK §
AND CITY OF BRIDGE CITY FOR §
SALE, TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN ORANGE COUNTY §

PUBLIC UTILITY COMMISSION
OF TEXAS

COMMISSION STAFF'S RECOMMENDATION ON NOTICE

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Recommendation on Notice in response to Order No. 2 and would show the following:

I. BACKGROUND

On January 26, 2017, Melvin Block and the City of Bridge City (collectively, Applicants) filed an application for sale, transfer, or merger of facilities and certificate rights in Orange County, Texas. Specifically, Bridge City seeks to acquire a portion of Melvin Block's facilities and service area under water Certificate of Convenience and Necessity (CCN) No. 11438 and add the acquired facilities and service area to Bridge City's CCN No. 12802.

On March 3, 2017, Order No. 2 was issued, establishing a deadline of ten working days after the filing of proof of notice documentation for Staff to file a recommendation regarding the sufficiency of notice. Applicants filed proof of notice on March 8, 2017. Ten working days from March 8 is March 22. This pleading is therefore timely filed.

II. NOTICE

As detailed in the attached memorandum from Janie Kohl in the Commission's Water Utility Regulation Division, Staff has reviewed the proof of notice documentation filed by the Applicants and recommends that the notice provided be found sufficient.

III. PROCEDURAL SCHEDULE

Staff recommends the notice be found sufficient. Staff therefore proposes the following procedural schedule:

Event	Date
Notice completed	March 6, 2017
Deadline for intervention	April 5, 2017 ¹
Deadline for Staff to request a hearing or file a recommendation on the approval of the sale and on the CCN amendment	May 5, 2017
Deadline for parties to file a response to Staff's recommendation	May 19, 2017
120 day deadline for the Commission to approve the sale or require a hearing	July 4, 2017 ²

IV. CONCLUSION

For the reasons stated above, Staff recommends that the notice be found sufficient and that the procedural schedule proposed above be adopted for continued processing of this application.

¹ Pursuant to 16 TAC § 24.106(a)(3), the intervention deadline is 30 days after the mailing or publication of notice, whichever occurs later. Notice was mailed on March 6, 2017, and no published notice was required. Therefore, 30 days after March 6, 2017 is April 5, 2017.

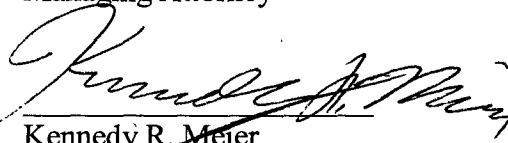
² Pursuant to 16 TAC § 24.109, the deadline for Commission action is 120 days after the later of either when the application is filed, when notice was mailed, or when notice is published. One hundred and twenty days after March 6, 2017 is July 4, 2017.

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF
TEXAS LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Katherine Lengieza Gross
Managing Attorney

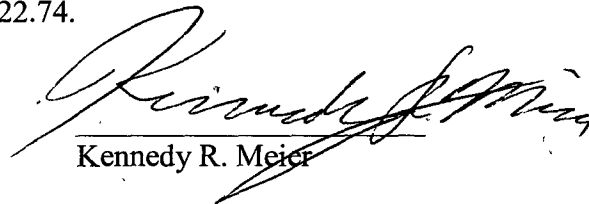


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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this the 13th of March, 2017 in accordance with 16 TAC § 22.74.



Kennedy R. Meier

PUC Interoffice Memorandum

To: Kennedy Meier
Legal Division

Thru: Lisa Fuentes, Manager
Water Utilities Division

From: Janie Kohl, Financial Analyst
Water Utilities Division

Date: March 8, 2017

Subject: **Docket No. 46806**, *Application of Melvin Block and City of Bridge City for Sale, Transfer, or Merger of Facilities and Certificate Rights in Orange County*

On January 26, 2017, Melvin Block, also referred to as Community Water Systems, (Seller) and the City of Bridge City (Buyer) (collectively, Applicants) filed an application for sale, transfer, or merger (STM) of facilities and certificate rights in Orange County, Texas, pursuant to Texas Water Code Ann. (TWC) § 13.301 and the 16 Tex. Admin Code (TAC) §§ 24.109. Specifically, the Buyer seeks approval to acquire a portion of facilities and to transfer water service area known as the Cherry Hill Subdivision (approximately 23 acres and 31 connections) under Certificate of Convenience and Necessity (CCN) No. 11438 held by the Seller.

In response to Order No. 2, the Applicant provided notice to customers, neighboring systems, and affected parties in Orange County. An affidavit of notice was filed with the Commission on March 8, 2017. The notice comment period ends on April 5, 2017. Staff reviewed the notice submitted and proof of notice and recommends they be deemed sufficient.