

Control Number: 46996



Item Number: 23

Addendum StartPage: 0

DOCKET NO. 46996

APPLICATION OF CHUCK BELL DBA §  
CHUCK BELL WATER SYSTEM, LLC §  
AND UNDINE TEXAS, LLC FOR §  
SALE, TRANSFER, OR MERGER OF §  
FACILITIES AND CERTIFICATE §  
RIGHTS IN JOHNSON AND §  
TARRANT COUNTIES §

RECEIVED  
2017 JUL 26 11:26  
PUBLIC UTILITY COMMISSION  
OF TEXAS

**UNDINE TEXAS, LLC'S RESPONSE TO**  
**COMMISSION STAFF'S ORDER NO. 4**

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE:

Undine Texas, LLC ("Undine") files this Response to Order No. 4. In support thereof, Undine states the following:

**I. Background**

On March 27, 2017, Undine filed with the Public Utility Commission of Texas ("Commission") an application for sale, transfer, or merger of a retail public utility in Johnson and Tarrant Counties. On April 27, 2017, Commission Staff filed its First Administrative Completeness Recommendation. On May 1, 2017, the Administrative Law Judge ("ALJ") filed Order No. 2 finding Application Incomplete and Deficient, Establishing Deadlines and Opportunity to Cure. On May 18, 2017, Undine filed its Response to Commission Staff's Order No. 2. On May 19, 2017, Commission Staff filed a Request for Extension. On May 22, 2017, the ALJ issued Order No. 3 Extending Deadlines. On June 23, 2017, Commission Staff filed its Second Administrative Completeness Recommendation. On June 28, 2017, the ALJ issued Order No. 4, finding that Undine's application is still deficient and not administratively complete and directing the applicant to amend the application to cure the deficiencies noted by Commission Staff on or before July 21, 2017. Accordingly, this response is timely filed.

## **II. Supplemental Application Information Provided**

In response to Commission Staff Order No. 4, Undine hereby files the following information.

### **Deficiency - Mapping**

*The revised maps submitted still do not comply with Commission requirements.*

### **Response:**

Attached as Exhibit A is the supplemental mapping, including the digital data. Based on a meeting between the Applicant and Commission Staff, it is Applicant's understanding that this supplemental mapping satisfies Commission Staff's request.

### **Deficiency – Decertification**

*The revised mapping documentation shows overlaps with portions of the certificated service areas of the City of Cleburne (CCN No. 10917), Johnson County SUD (CCN No. 10081), and Monarch Utilities I LP (CCN No. 12983). If it is the Applicants intent to seek that these areas be included in the STM, then Applicants must file signed agreements from those entities which indicate that they agree to the decertification of a portion of their respective service areas. Along with such signed agreements, the Applicant must also clarify whether any existing customers would be changing water service providers in the areas being decertified from the existing certificate holders.*

### **Response:**

Attached as Exhibit B is the signed agreement between the Applicant and Monarch Utilities I LP. Undine has been working diligently with Johnson County SUD and the City of Cleburne to obtain a signed agreement with those two entities, and will supplement this response with those agreements as soon as Undine receives those agreements.

Regarding the requirement that Applicant clarify whether any existing customers would be changing water service providers in the areas being decertified from the existing certificate holders, the existing customers will become customers of Undine.

### **Other – Operational Staff Information**

*Staff continues to note that although not required for completion of the administrative completeness phase, the Applicants must ultimately provide a list of licensed operational staff that will be hired to operate the proposed areas.*

**Response:**

Undine recognizes its obligation to provide a list of licensed operational staff and will be prepared to provide it at the appropriate time.

**III. Conclusion**

Undine respectfully submits this information in support of its application. Undine is prepared to supplement this submittal with the two additional agreements as soon as those become available. Accordingly, Undine requests a reasonable extension to allow it time to finalize and submit those agreements.

Respectfully submitted,

**DuBois, Bryant & Campbell, LLP**

By: 

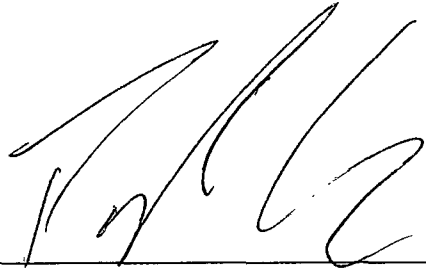
Peter T. Gregg  
State Bar No. 00784174  
303 Colorado, Suite 2300  
Austin, Texas 78701  
[pgregg@dbcllp.com](mailto:pgregg@dbcllp.com)  
(512) 457-8000  
(512) 457-8008 (fax)

**Attorneys for Undine Texas, LLC**

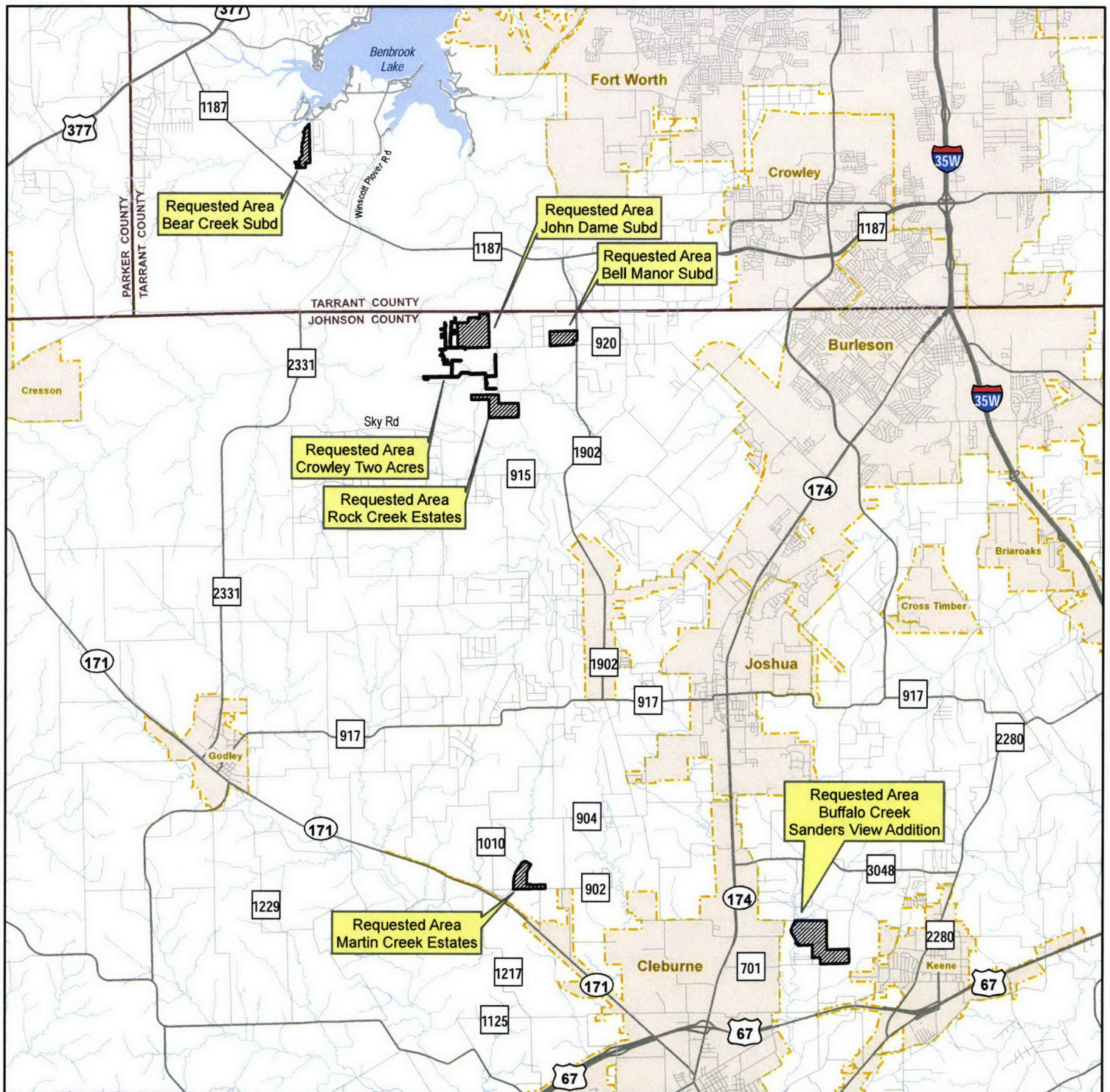
**CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing document was served on the persons as indicated below on this the 21 day of July, 2017:

Matthew A. Arth  
Public Utility Commission of Texas  
Legal Division  
1701 N. Congress Avenue  
P. O. Box 13326  
Austin, Texas 78711-3326  
[Matthew.Arth@puc.texas.gov](mailto:Matthew.Arth@puc.texas.gov)

A handwritten signature in black ink, appearing to read 'P. T. Gregg', is written over a horizontal line.

Peter T. Gregg



### General Location

Undine Texas, LLC  
 Application to Transfer Chuck Bell Water Systems, CCN No. 12190;  
 to Amend and Decertify Portions of Water CCN 12190 to be Transferred;  
 and to Decertify Portions of Johnson County SUD, CCN No. 10081;  
 City of Cleburne, CCN No. 10917; and Monarch Utilities I LP, CCN No. 12983  
 in Johnson and Tarrant Counties

Cities  
 County Boundaries

### Requested Water CCN Areas to Transfer Includes Areas to Amend and Decertify

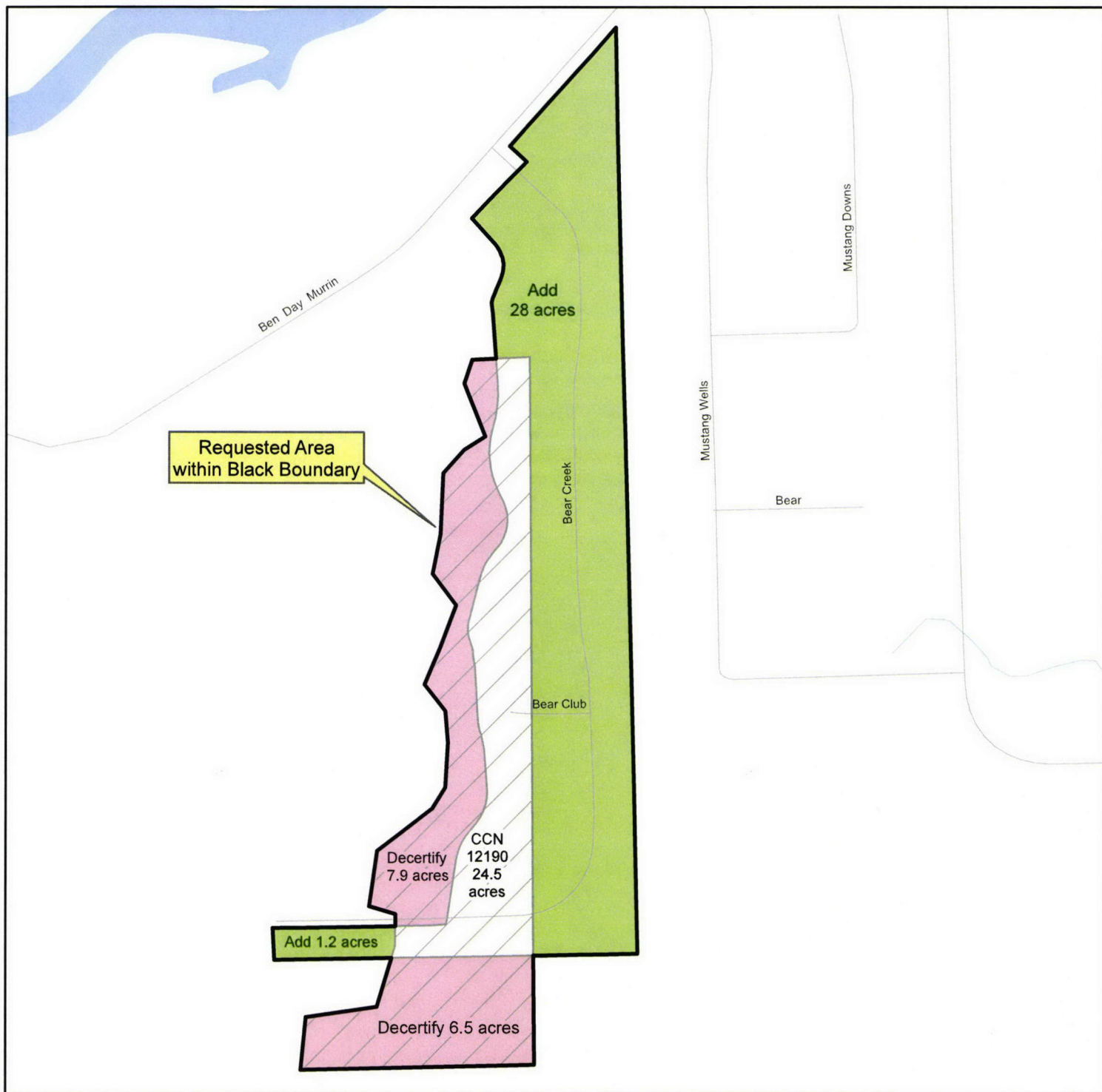
Requested Areas  
 Requested Areas

0 1.25 2.5  
 Miles



Map by: S. Burt, ASBG  
 Date: July 12, 2017  
 Base: TxDOT Roadways 2015  
 Project: General Location





### Bear Creek Subdivision Large Scale Map - Tarrant County

Undine Texas, LLC  
 Application to Transfer Chuck Bell Water Systems, CCN No. 12190;  
 to Amend and Decertify Portions of Water CCN 12190 to be Transferred;  
 and to Decertify Portions of Johnson County SUD, CCN No. 10081;  
 City of Cleburne, CCN No. 10917; and Monarch Utilities I LP, CCN No. 12983  
 in Johnson and Tarrant Counties

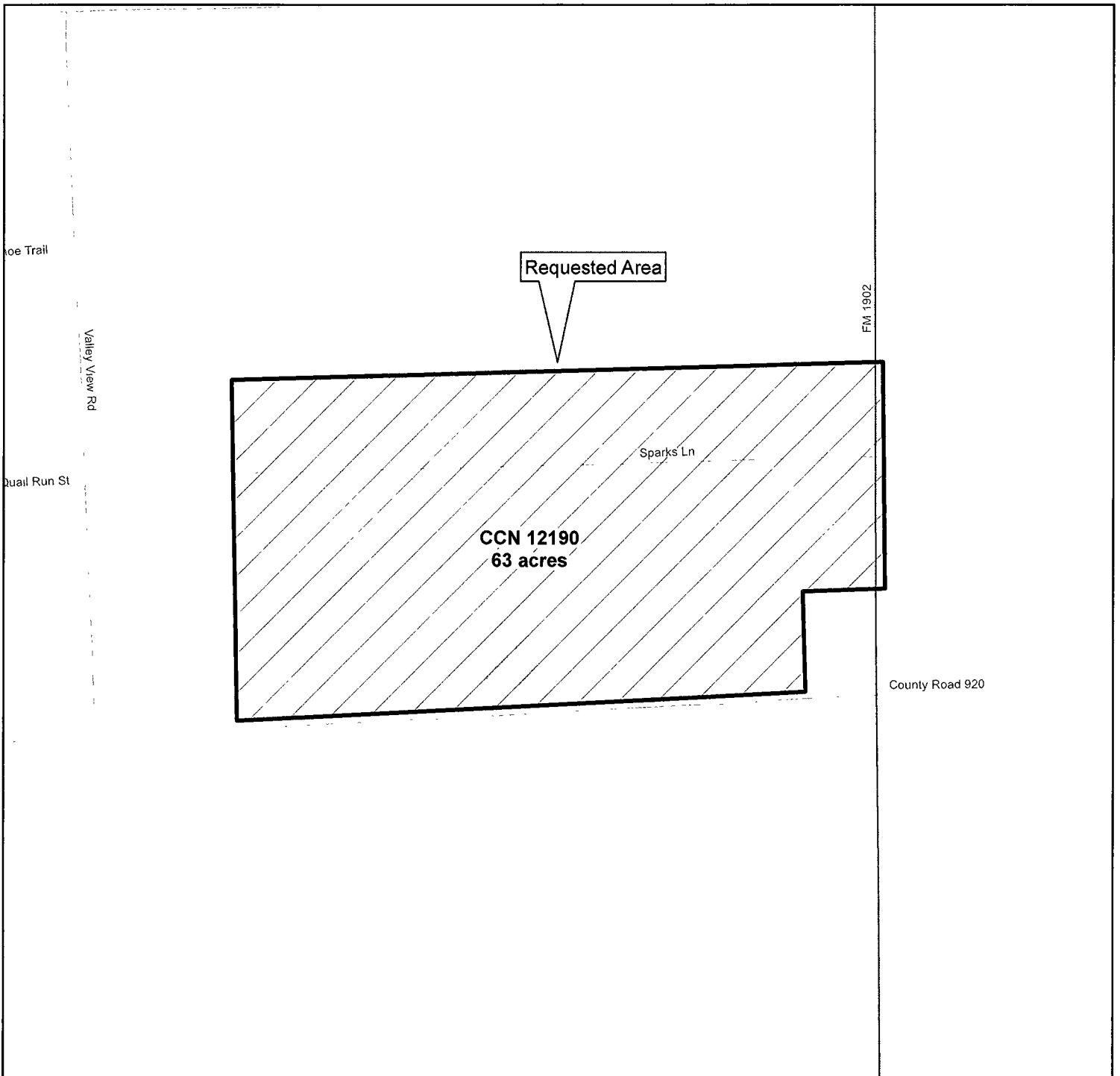
#### Requested Water CCN Areas

- Requested Area
- CCN 12190 - Chuck Bell Water Systems
- Amend / Add Areas
- Decertify Areas from CCN 12190

0 250 500  
 Feet





Map by: S. Burt, ASBGI  
 Date: July 12, 2017  
 Base: TxDOT Roadways 2015  
 Project: Bear Creek Large Scale



### Bell Manor Subdivision Large Scale Map - Johnson County

Undine Texas, LLC  
Application to Transfer Chuck Bell Water Systems, CCN No. 12190;  
to Amend and Decertify Portions of Water CCN 12190 to be Transferred;  
and to Decertify Portions of Johnson County SUD, CCN No. 10081;  
City of Cleburne, CCN No. 10917; and Monarch Utilities I LP, CCN No. 12983  
in Johnson and Tarrant Counties

#### Requested Water CCN Area

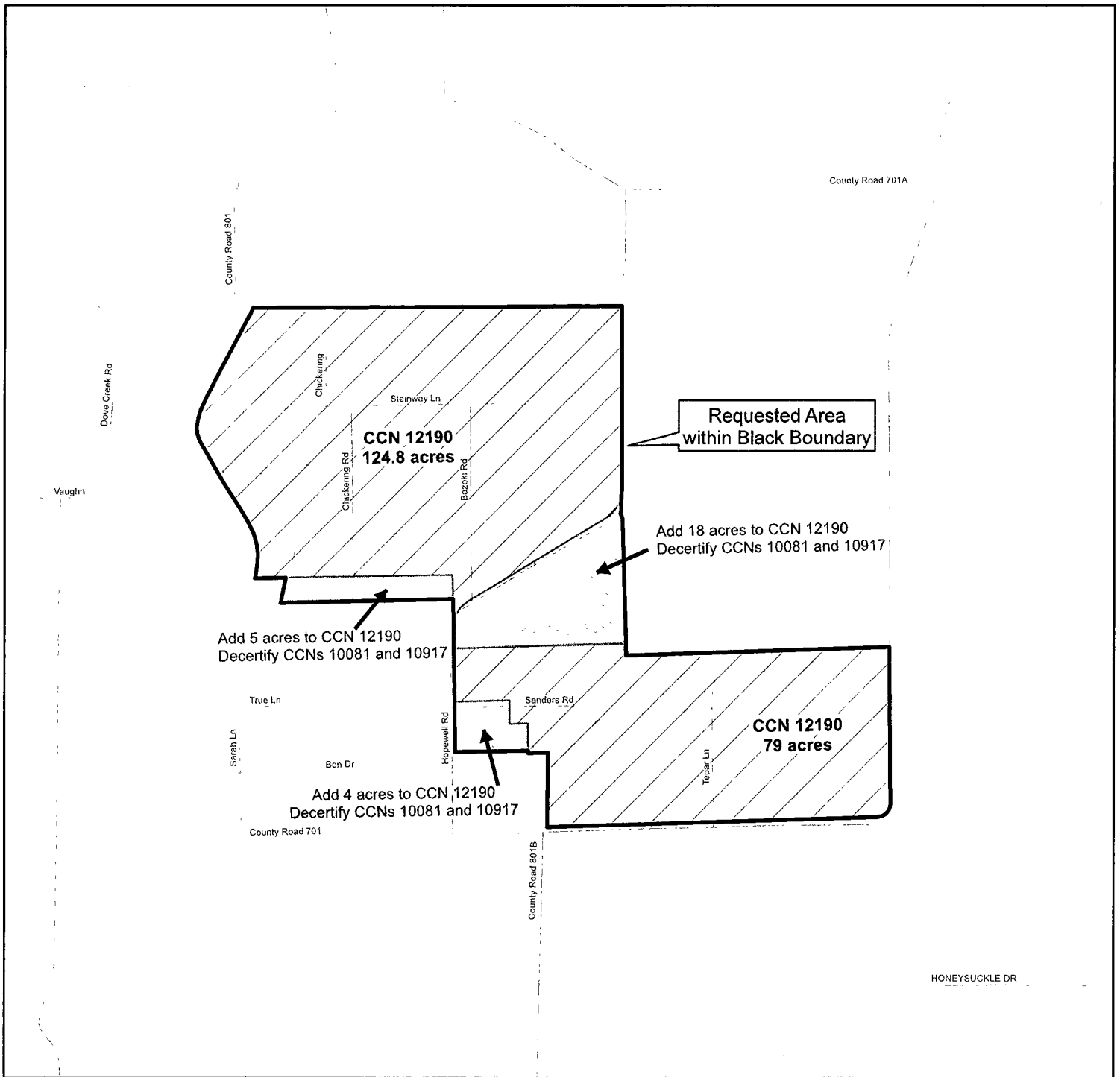
-  Requested Area
-  CCN 12190 - Chuck Bell Water Systems

0 250 500  
Feet



Map by: S. Burt, ASBGI  
Date: July 12, 2017  
Base: TxDOT Roadways 2015  
Project: Bell Manor Large Scale








## Buffalo Creek and Sanders View Addition Large Scale Map - Johnson County

Undine Texas, LLC

Application to Transfer Chuck Bell Water Systems, CCN No. 12190;  
to Amend and Decertify Portions of Water CCN No. 12190 to be Transferred;  
and to Decertify Portions of Johnson County SUD, CCN No. 10081;  
City of Cleburne, CCN No. 10917; and Monarch Utilities I LP, CCN No. 12983  
in Johnson and Tarrant Counties

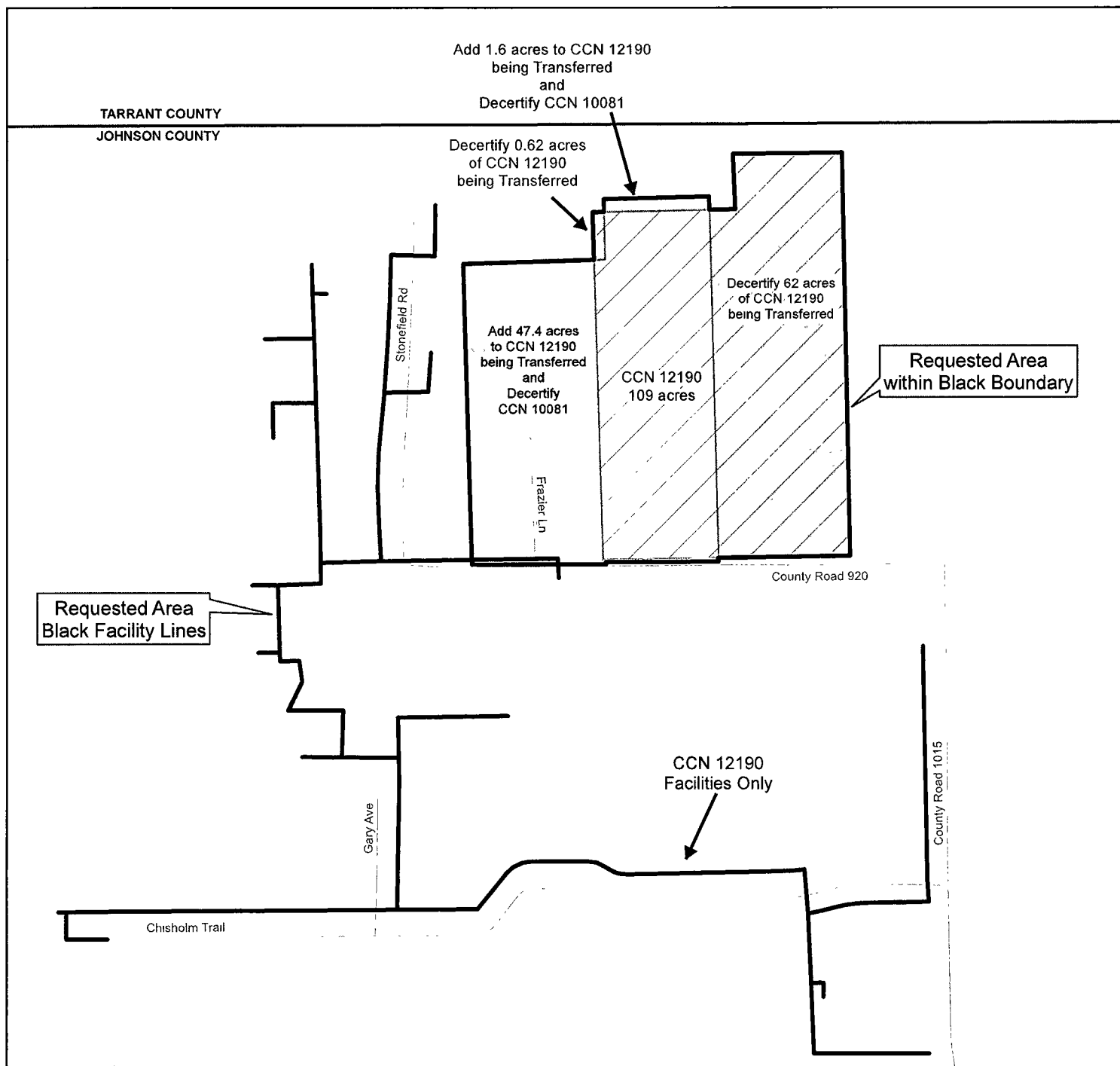
### Requested Water CCN Areas

-  Requested Area
-  CCN 12190 - Chuck Bell Water Systems
-  Amend / Add Areas and Decertify CCNs 10081 and 10917

0 500 1,000  
Feet








Map by: S Burt, ASBG  
Date: July 12, 2017  
Base: TxDOT Roadways 2015  
Project: Buffalo Creek and Sanders View Large Scale



### Crowley Two Acres and John Dame Subdivisions Large Scale Map - Johnson County

Undine Texas, LLC  
 Application to Transfer Chuck Bell Water Systems, CCN No. 12190;  
 to Amend and Decertify Portions of Water CCN No. 12190 to be Transferred;  
 and to Decertify Portions of Johnson County SUD, CCN No. 10081;  
 City of Cleburne, CCN No. 10917; and Monarch Utilities I LP, CCN No. 12983  
 in Johnson and Tarrant Counties

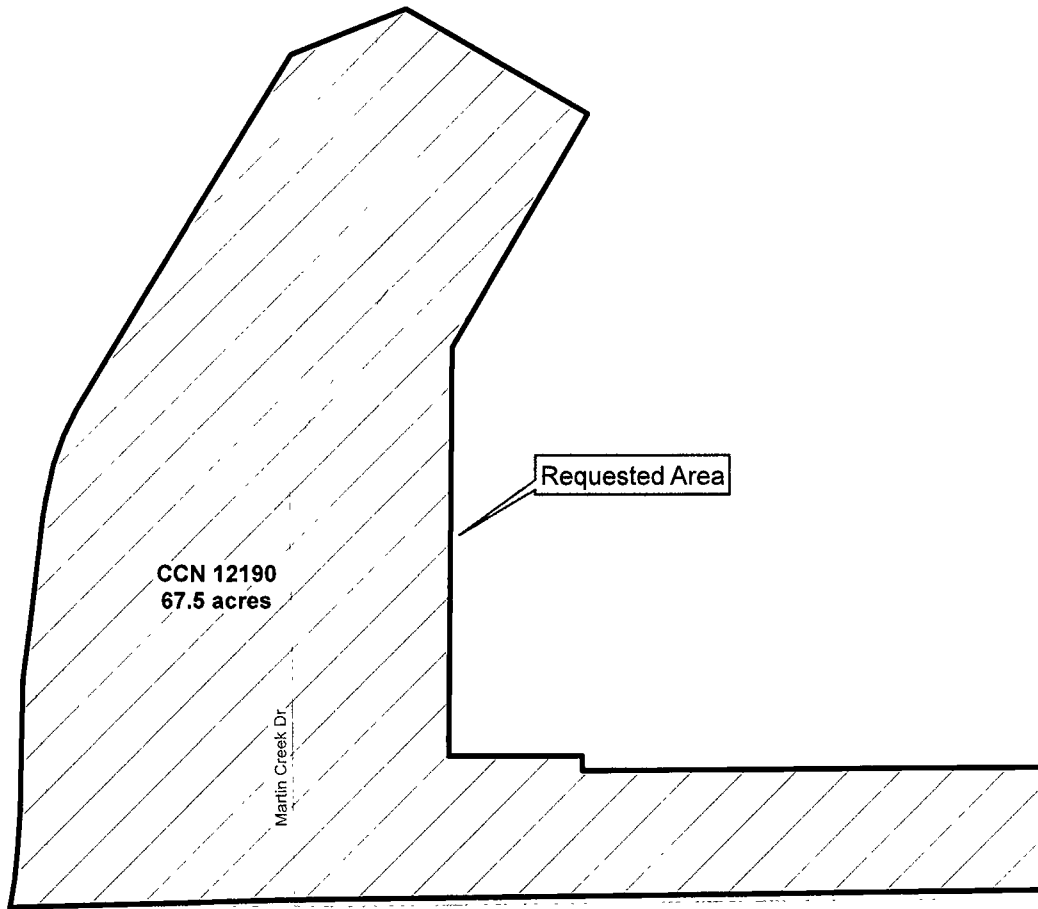
#### Requested Water CCN Areas

-  Requested Area
-  Requested Area - CCN 12190 - Facilities Only
-  CCN 12190 - Chuck Bell Water Systems
-  Amend / Add Areas to CCN 12190 and Decertify CCN 10081
-  Decertify Areas from CCN 12190

0 500 1,000  
 Feet





Map by: S. Burt, ASBG  
 Date: July 12, 2017  
 Base: TxDOT Roadways 2015  
 Project: Crowley Two Acres and John Dame Large Scale



### Martin Creek Estates Large Scale Map - Johnson County

Undine Texas, LLC  
 Application to Transfer Chuck Bell Water Systems, CCN No. 12190;  
 to Amend and Decertify Portions of Water CCN No. 12190 to be Transferred;  
 and to Decertify Portions of Johnson County SUD, CCN No. 10081;  
 City of Cleburne, CCN No. 10917; and Monarch Utilities I LP, CCN No. 12983  
 in Johnson and Tarrant Counties

#### Requested Water CCN Areas

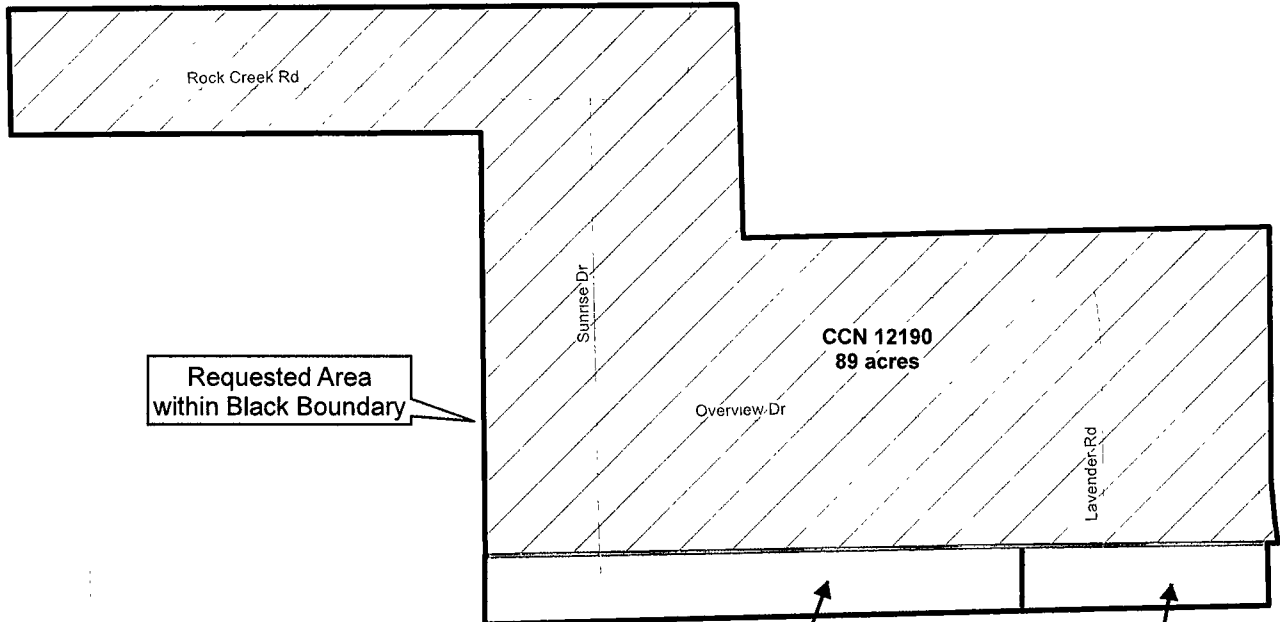
-  Requested Area
-  CCN 12190 - Chuck Bell Water Systems

0 250 500 Feet



Map by: S Burt, ASBGI  
 Date: July 12, 2017  
 Base: TxDOT Roadways 2015  
 Project: Martin Creek Large Scale

County Road 1015



Add 8.6 acres to CCN 12190  
and  
Decertify CCN 12983




Add 3.8 acres to CCN 12190  
and  
Decertify CCN 10081

County Road 915A

### Rock Creek Estates Large Scale Map - Johnson County

Undine Texas, LLC  
Application to Transfer Chuck Bell Water Systems, CCN No. 12190;  
to Amend and Decertify Portions of Water CCN No. 12190 to be Transferred;  
and to Decertify Portions of Johnson County SUD, CCN No. 10081;  
City of Cleburne, CCN No. 10917; and Monarch Utilities I LP, CCN No. 12983  
in Johnson and Tarrant Counties

#### Requested Water CCN Areas

-  Requested Area
-  CCN 12190 - Chuck Bell Water Systems
-  Amend / Add Area to CCN 12190 and Decertify CCNs 10081 and 12983

0 300 600  
Feet



Map by: S Burt, ASBGI  
Date: July 12, 2017  
Base: TxDOT Roadways 2015  
Project: Rock Creek Large Scale

May 9, 2017

George Freitag  
Monarch Utilities LLP  
12535 Reed Rd  
Sugarland, Texas 77478

Re: Application of Chuck Bell Jta Chuck Bell Water System, LLC ("Chuck Bell") and Undine  
Texas, LLC ("Undine") for Sale, Transfer or Merger of Facilities and Certificate Rights in  
Johnson and Tarrant Counties.

Dear Mr. Freitag:

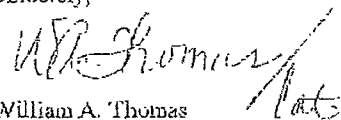
Chuck Bell and Undine have submitted an application to the Public Utility Commission of Texas  
("PUC") for the sale of certain facility and certificate rights from Chuck Bell to Undine (the  
"Application"). Based on our review, the Application includes an area of overlap with Monarch Utility I  
LLP's ("Monarch") CCN No. 12983. The attached maps specify, in yellow highlighting, the area of  
overlap.

This letter requests that Monarch agree to decertify the area highlighted on the attached maps from its  
CCN 12983 so that Chuck Bell and Undine may incorporate those areas into the service areas that are  
otherwise the subject of the Application. We note that Monarch does not now, nor has it ever, supplied  
drinking water service to customers within the area highlighted on the attached maps. Undine and Chuck  
Bell seek Monarch's decertification of the area for no compensation under Texas Water Code §13.254.

If approved, the decertification will allow Undine to exercise its authority to provide retail, public water  
and sewer utility service under Undine's STM Application to the portion of Monarch's CCN No. 12983  
requested for decertification.

If you agree to decertify the identified area pursuant to the terms of this letter, please so indicate by  
signing in the area indicated below. We appreciate your consideration in this matter.

Sincerely,

  
William A. Thomas  
Sr. Vice President

cc: Jeff Goebel  
Carcy Thomas

attachments

*[Monarch Signature Page follows]*



STATE OF TEXAS, CHUCK BELL WATER SYSTEMS, ADMINISTRATIVE REGULATORY SYSTEM DE CERTIFICATION INFORMATION, MONARCH DE CERTIFICATION LETTER 5-9-2017

Undine, LLC 10913 Matronome Drive Houston, Texas 77043



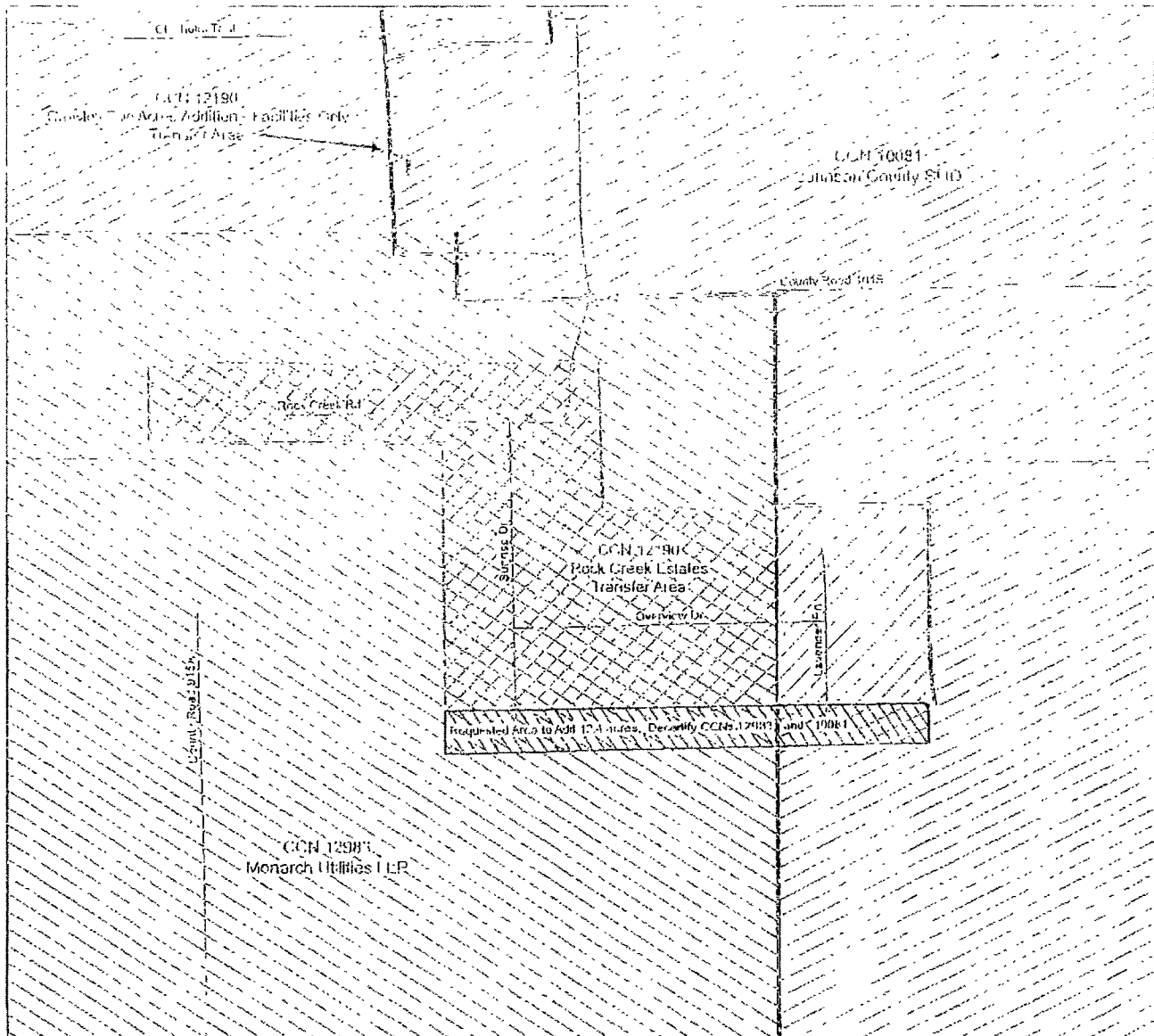
By the signature below, Monarch agrees to decertify the areas identified in this letter according to the terms of this letter.

Signature: Charles W. Profilet, Jr.






Name: CHARLES W. PROFILET, JR.

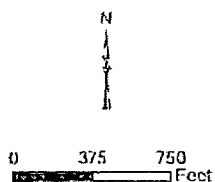
Title: PRESIDENT

Date: MAY 18, 2017



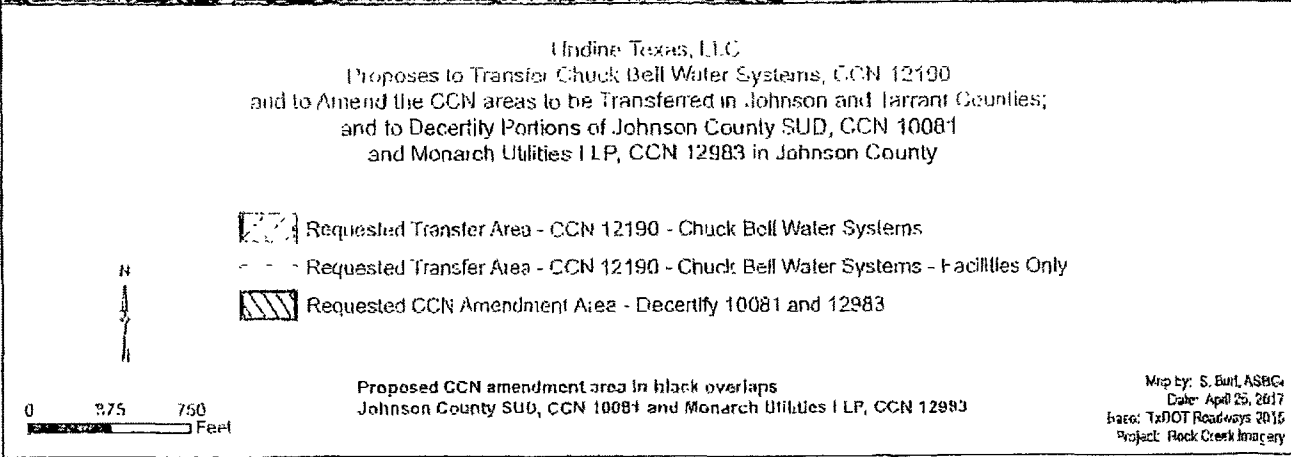
Undine Texas, LLC  
Proposes to Transfer Chuck Bell Water Systems, CCN 12190  
and to Amend the CCN areas to be Transferred in Johnson and Tarrant Counties;  
and to Decertify Portions of Johnson County SUD, CCN 10081 and Monarch Utilities LP, CCN 12983  
in Johnson County

-  Requested Transfer Areas -CCN 12190 - Chuck Bell Water Systems
-  Requested Transfer Area - CCN 12190 - Chuck Bell Water Systems - Facilities Only
-  Requested CCN Amendment Area - Decertify 10081 and 12983
-  CCN 10081 - Johnson County SUD
-  CCN 12983 - Monarch Utilities LP



Proposed CCN amendment area in black overlaps  
Johnson County SUD, CCN 10081 and Monarch Utilities LP, CCN 12983

Map by: S. Burl, ASBG  
Date: April 25, 2017  
Base: TxDOT Roadways 2015  
Project: Rock Creek



Map by: S. Burl, ASBC  
Date: April 25, 2017  
Base: TxDOT Roadways 2015  
Project: Rock Creek Imagery