



Control Number: 47922



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DOCKET NO. 47922

APPLICATION OF DAL-HIGH WATER §
LLC AND MONARCH UTILITIES I, §
L.P. FOR SALE, TRANSFER, OR §
MERGER OF FACILITIES AND §
CERTIFICATE RIGHTS IN §
HENDERSON COUNTY §

PUBLIC UTILITY COMMISSION

2018 MAR 28 PM 2:02
PUBLIC UTILITY COMMISSION
OF TEXAS
FILING CLERK

**COMMISSION STAFF'S SUPPLEMENTAL RECOMMENDATION ON
ADMINISTRATIVE COMPLETENESS**

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Supplemental Recommendation on Administrative Completeness and would show the following:

I. BACKGROUND

On January 3, 2018, Dal-High Water LLC and Monarch Utilities I, L.P. (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Henderson County. Specifically, Dal-High seeks approval to transfer all of its water service area under certificate of convenience and necessity No. 12830 to Monarch Utilities I, L.P. The total area being requested includes approximately 32 acres and services 46 current customers.

On February 2, 2018, the Administrative Law Judge issued Order No. 2 establishing a deadline of March 30, 2018, for Staff to file its recommendation on the administrative completeness of the application and the sufficiency of the proposed notice and to propose a procedural schedule. Therefore, this pleading is timely filed.

II. APPLICATION SUFFICIENCY RECOMMENDATION

As further detailed in the attached memorandum of Fred Bednarski, of the Commission's Water Utility Regulation Division, Staff has reviewed the application and recommends that it be found administratively complete at this time.

III. NOTICE

As detailed in the attached memorandum, Staff recommends that Applicants be directed to use the attached forms to provide notice to the following:

- cities, districts, and neighboring retail public utilities providing the same utility service whose corporate boundaries or certificated service area are located within two miles from the outer boundary of the requested area;
- the county judge of each county that is wholly or partially included in the requested area;
- each groundwater conservation district and city with an extraterritorial jurisdiction (ETJ) that is wholly or partly included in the proposed area to be certified ; and
- affected customers

Provide correct notice of the application to the following:

- Bethel-Ash WSC (CCN No. 10821)
- Crescent Heights WSC (CCN No. 10827)
- Rick Brown (CCN No. 10823)
- City of Athens
- Neches & Trinity Valleys Groundwater Conservation District
- Trinity River Authority of Texas
- Henderson County Judge

Staff also recommends that the Applicants be ordered to file in the docket, an affidavit specifying every person and entity to whom notice was provided and the date that the notice was provided by April 30, 2018. Staff recommends that the Applicant use the attached notice and affidavit to meet these requirements.

IV. PROPOSED PROCEDURAL SCHEDULE

Staff recommends the application be found administratively complete. Staff therefore proposes the following procedural schedule:

Event	Date
Deadline for Applicant to file proof of notice with the Commission.	April 30, 2018
Deadline for Staff to file a recommendation on sufficiency of notice.	Within 10 days of Applicant filing proof of completed notice with the Commission
Deadline to intervene.	30 days after notice is issued

V. CONCLUSION

For the reasons detailed above, Staff recommends that the application be found administratively complete, that Applicants be directed to provide notice as detailed above and in the attached memorandum, and that the procedural schedule proposed above be adopted.

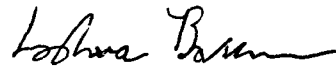
Dated: March 28, 2018

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Katherine Lengieza Gross
Managing Attorney

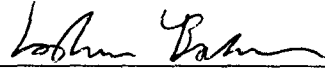


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DOCKET NO. 47922

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on March 28, 2018 in accordance with 16 TAC § 22.74.

A handwritten signature in black ink, appearing to read "Joshua Barron", written over a horizontal line.

Joshua Adam Barron

PUC Interoffice Memorandum

To: Joshua Barron
Legal Division

Thru: Lisa Fuentes, Manager
Water Utility Regulation Division

From: Fred Bednarski, Financial Examiner
Water Utility Regulation Division

Date: March 30, 2018

Subject: **Docket No. 47922**, *Application of Dal-High Water LLC and Monarch Utilities I L.P. for Sale, Transfer, or Merger of Facilities and Certificate Rights in Henderson County*

On January 03, 2018, Monarch Utilities I, L.P., (Monarch or Buyer) and Dal-High Water LLC (Dal-High or Seller) (collectively, Applicants) filed an application for Sale, Transfer, or Merger (STM) of facilities and certificate rights in Henderson County, Texas, pursuant to Texas Water Code (TWC) § 13.301 and 16 Tex. Admin Code (TAC) § 24.109. Specifically, Monarch seeks approval to acquire facilities, transfer water service area and cancel Dal-High's Certificate of Convenience and Necessity (CCN) No. 12830. The requested area includes approximately 32 acres and 46 connections.

Staff has reviewed the application information provided and recommends the application be deemed administratively complete and sufficient for filing. Staff further recommends the Applicant be ordered to do the following:

- 1) Provide notice of the application to the following:
 - a) notice to cities and neighboring retail public utilities providing the same utility service whose corporate limits or certificated service area boundaries are within two miles from the outer boundary of the requested area, and any city with an extraterritorial jurisdiction that overlaps the requested area;
 - b) the county judge of each county that is wholly or partially included in the requested area;
 - c) each groundwater conservation district that is wholly or partially included in the requested area; and
 - d) affected customers
- 2) Provide notice to the following:
 - Bethel-Ash WSC (CCN No. 10821)
 - Crescent Heights WSC (CCN No. 10827)
 - Rick Brown (CCN No. 10823)
 - City of Athens
 - Neches & Trinity Valleys Groundwater Conservation District
 - Trinity River Authority of Texas
 - Henderson County Judge
- 3) File in the docket an affidavit specifying every person and entity to whom notice was provided and the date that the notice was provided within 30 days of the date of the notice. It is recommended that the Applicant use the attached notice and affidavit to meet these requirements.

Notice to Current Customers, Neighboring Systems, and Cities

MONARCH UTILITIES I, L.P. NOTICE OF INTENT TO PURCHASE FACILITIES AND TRANSFER
WATER SERVICE AREA UNDER CCN NO. 12830 FROM DAL-HIGH WATER, LLC IN
HENDERSON COUNTY, TEXAS

To: _____ Date Notice Mailed: _____, 2018
(Name of Customer, Neighboring System, or City)

(Address)

(City State Zip)

<u>Monarch Utilities I, L.P.</u>	<u>12353 Reed Road</u>	<u>Sugar Land, TX</u>	<u>77478</u>
(Purchaser's or Transferee's Name)	(Address)	(City) (State)	(Zip Code)

has submitted an application with the Public Utility Commission of Texas (Commission) to purchase water and facilities and to transfer water service area under CCN No. 12830 in Henderson County, TX from:

<u>Dal-High Water LLC</u>	<u>P.O. Box 1531</u>	<u>Athens, TX</u>	<u>75751</u>
(Seller's or Transferor's Name)	(Address)	(City) (State)	(Zip Code)

The sale is scheduled to take place as approved by the Commission (V.T.C.A., Water Code § 13.301). The transaction and the transfer of the CCN includes the following subdivision: Dal-High Addition

The requested area is located approximately 2 miles northwest of downtown Athens, Texas, and is generally bounded on the north by 250 feet north of CR 3925; on the east by One-Mile Creek; on the south by State Hwy 31; and on the west by US Hwy 175. The requested area includes approximately 32 total acres and 46 current customers.

This transaction will have the following effect on the current customer's rates and services:

Rates will not change. Operations and customer service will be improved with the system being acquired by a full scale utility.

Persons who wish to intervene in the proceeding or comment upon action sought should contact the Public Utility Commission, P.O. Box 13326, Austin, Texas 78711-3326, or call the Public Utility Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. The deadline for intervention in the proceeding is (30 days from the mailing or publication of notice, whichever occurs later, unless otherwise provided by the presiding officer). You must send a letter requesting intervention to the commission which is received by that date.

If a public hearing is requested, the Commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea información en español, puede llamar al 1-512-936-7221 or 888-782-8477.

Utility Representative

Utility Name

PUBLIC UTILITY COMMISSION



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, NEIGHBORING UTILITIES AND
AFFECTED PARTIES
DOCKET NO. 47922

STATE OF TEXAS
COUNTY OF _____

has provided individual notice to the following:

DATE

OATH

I, _____, being duly sworn, file this form as
_____ (indicate relationship to applicant, that is owner,
member or partnership, title of officer of corporation, or other authorized representative of applicant);
that in such capacity, I am qualified and authorized to file and verify such form, am personally familiar
with the notices given with this application, and have complied with all notice requirements in the
application and application acceptance letter; and that all such statements made and matters set forth
therein are true and correct.

Applicant's Authorized Representative

If the applicant to this form is any person other than the sole owner, partner, officer of the applicant, or
its' attorney, a properly verified Power of Attorney must be enclosed.

Subscribed and sworn to before me this _____ day of _____, 2018 to certify which
witness my hand and seal of office.

Notary Public in and for the State of Texas

Print or Type Name of Notary Public

Commission Expires _____