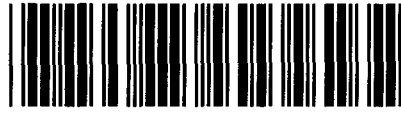




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DOCKET NO. 48060

**APPLICATION OF DJL VENTURES, §
INC. DBA KAP WATER SUPPLY AND §
SWWC UTILITIES, INC. DBA WATER §
SERVICES, INC. FOR THE §
TRANSFER OF SERVICE AREA §
RIGHTS IN COMAL COUNTY §**

**PUBLIC UTILITY COMMISSION
OF TEXAS**
2018 MAY 10 AM 9:55
PUBLIC UTILITY COMMISSION
OFFICE OF CLERK

**COMMISSION STAFF'S SUPPLEMENTAL RECOMMENDATION
ON ADMINISTRATIVE COMPLETENESS AND PROPOSED NOTICE**

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and in response to Order No. 2, files this Supplemental Recommendation on Administrative Completeness. Staff recommends that the application be deemed sufficient for further review. In support thereof, Staff shows the following:

I. BACKGROUND

On February 13, 2018, DJL Ventures, Inc. d/b/a KAP Water Supply (KAP) and SWWC Utilities, Inc. d/b/a Water Services, Inc. (Water Services) filed an application for the transfer of service area rights in Comal County. Specifically, Water Services seeks approval to transfer all of KAP's water service area rights in Comal County to Water Services' Certificate of Convenience and Necessity (CCN) No. 11106. The total area being requested includes approximately 14 acres with zero current customers. Water Services filed an amendment to the application on April 21, 2018.

On March 20, 2018, Order No. 2 was issued establishing a deadline of May 10, 2018, for Staff to file a supplemental recommendation on the administrative completeness of the application and notice and propose a procedural schedule for further processing of the application. Therefore, this pleading is timely filed.

II. ADMINISTRATIVE COMPLETENESS

As detailed in the attached memorandum from Patricia Garcia in the Commission's Water Utility Regulation Division, Staff has reviewed the application and supplemental information and recommends that it be found administratively complete.

III. NOTICE

At this time, Staff recommends that Water Services proceed with providing public notice to all persons, political subdivisions, and other entities listed in the attached memorandum using the notice provided by Ms. Garcia. Along with each individual notice, Staff recommends that Water Services provide an accurate map delineating the requested service area. Within 30 days of the provision of notice, Staff recommends that Water Services file proof of notice as described in the attached memorandum. Finally, it is recommended that Water Services use the attached affidavit to meet these requirements.

IV. PROCEDURAL SCHEDULE

Staff proposes the following procedural schedule:

Event	Date
Deadline for Water Services to file with the Commission signed affidavits that notice was given along with a copy of the notice sent to the affected parties and published in a newspaper of general circulation	June 25, 2018
Deadline for Staff to file a recommendation on sufficiency of notice	Within ten (10) days of Water Services filing proof of completed notice with the Commission
Deadline to intervene	Thirty (30) days after notice is issued

V. CONCLUSION

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

Dated: May 10, 2018

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

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**DOCKET NO. 48060
CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on May 10, 2018, in accordance with 16 Texas Administrative Code § 22.74.


Eleanor D'Ambrosio

PUC Interoffice Memorandum

To: Eleanor D' Ambrosio
Legal Division

Thru: Lisa Fuentes, Manager
Water Utility Regulation Division

From: Patricia Garcia, Staff Engineer
Water Utility Regulation Division

Date: May 10, 2018

Subject: **Docket 48060**, *Application of DJL Ventures, Inc. dba KAP Water Supply and SWWC Utilities, Inc. dba Water Services, Inc. for the Transfer of Service Area Rights in Comal County*

On February 13, 2018, SWWC Utilities, Inc. dba Water Services, Inc. (SWWC) and DJL Ventures, Inc. dba KAP Water Supply (KAP) filed an application for the transfer of service area rights in Comal County, Texas, pursuant to Texas Water Code Ann. (TWC) § 13.301 and the 16 Texas Administrative Code (TAC) § 24.109. Specifically, SWWC seeks approval to transfer the requested water service area and cancel KAP's exempt utility registration, Exempt Registration No. N0064. The area to be transferred includes approximately 14 acres and 0 connections.

A Staff review of the additional information filed by SWWC on April 11, 2018, found that it is sufficient in the required application and mapping information. Therefore, Staff recommends that the application be deemed sufficient for filing and found administratively complete. Staff further recommends the Applicant be ordered to do the following:

- 1) Provide notice of the application to the following:
 - a) 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;
 - 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;
 - d) any affected customers, and other affected parties in the requested area.
- 2) Provide correct notice of the application to the following entities:
 - Dillon Water Resources, L.P. (CCN No. 12844)
 - Elm Ridge Water Company, Inc. (CCN No. 12885)
 - Guadalupe-Blanco River Authority (CCN No. 12977)
 - SJWTX Inc. (CCN No. 10692)
 - City of Bulverde
 - Comal County WCID 6
 - Comal County Judge
- 3) Within 30 days of the date of the notice, file in the docket a copy of notice along with an affidavit specifying every person and entity to whom notice was provided and the date that the notice was provided. It is recommended that SWWC use the attached notice and affidavit to meet these requirements.