



Control Number: 48151



Item Number: 14

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DOCKET NO. 48151

APPLICATION OF BOLIVER §
UTILITY SERVICES, LLC AND §
UNDINE TEXAS ENVIRONMENTAL, §
LLC FOR SALE, TRANSFER, OR §
MERGER OF FACILITIES AND §
CERTIFICATES RIGHTS IN §
GALVESTON COUNTY §

PUBLIC UTILITY COMMISSION
OF TEXAS
PUBLIC UTILITY COMMISSION
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**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 and Proposed Notice. Staff recommends that the application be deemed sufficient for further review. In support thereof, Staff shows the following:

I. BACKGROUND

On March 8, 2018, Bolivar Utility Services, LLC (Bolivar) and Undine Texas Environmental, LLC (Undine) (collectively Applicants), filed an application for a sale, transfer, or merger of facilities and Certificate of Convenience and Necessity (CCN) rights in Galveston County, Texas. Specifically, Bolivar seeks to sell its sewer system and transfer the service area under CCN No. 21026 to Undine. The total area being requested includes approximately 37,468 acres and serves 668 current customers.

On April 11, 2018, Order No. 2 was issued, wherein the Administrative Law Judge (ALJ) found the application deficient and established a deadline of May 9, 2018, for the Applicants to file a supplement to cure the deficiencies. On April 18, 2018, Undine filed a supplement to the application.

Order No. 2 also directed Staff to file a supplemental recommendation on the administrative completeness of the application and to propose a procedural schedule for further processing of the application by May 30, 2018. Therefore, this pleading is timely filed.

II. ADMINISTRATIVE COMPLETENESS

As detailed in the attached memorandum of Sean Scaff in the Commission's Water Utility Regulation Division, Staff has reviewed the application and recommends that it be found administratively complete and accepted for filing.

III. NOTICE

As detailed in the attached memorandum, Staff recommends that Undine proceed with providing public notice and be directed to use the attached forms to provide such notice to the following persons, political subdivisions and other entities:

- 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; and
- d) affected customers.

In addition, Staff recommends that Undine provide correct notice of the application to the following entities:

- Bolivar Peninsula SUD
- Cade Ranch WCID 1
- Chambers County Judge
- City of Galveston (CCN No. 20519)
- City of Texas City (CCN No. 20050)
- Galveston County Judge
- Galveston County Navigation District 1
- Gulf Coast Waste Disposal Authority (CCN No. 20465)
- Gulf Coast Water Authority
- Harris Galveston Coastal Subsidence District
- Jefferson County Drainage District 6
- Lower Neches Valley Authority
- Port Bolivar Improvement District
- Sabine Neches Navigation District of Jefferson County
- Sabine Pass Port Authority
- Southeast Texas Agricultural Development District
- Trinity Bay Conservation District
- Trinity River Authority of Texas

Along with each individual notice, Staff recommends that Undine provide an accurate map delineating the requested service area. Additionally, Staff recommends that Undine file in the docket an affidavit specifying every person and entity to whom notice was provided and the date that such notice was provided within thirty (30) days of the date of the notice. It is recommended that Undine use the attached notice and affidavit to meet these requirements.

IV. PROCEDURAL SCHEDULE

Staff proposes the following procedural schedule:

Event	Date
Deadline for Undine to file with the Commission a signed affidavit that notice was given along with a copy of the notice sent to the affected parties	June 29, 2018
Deadline for Staff to file a recommendation on sufficiency of notice and propose additional procedural schedule	Within ten (10) days of Undine 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 recommends that the application be found administratively complete, that Undine be directed to provide notice as detailed above and in the attached memorandum, and that the proposed procedural schedule be adopted.

Dated: May 30, 2018

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on May 30, 2018, in accordance with 16 TAC § 22.74.



Richard Nemer

PUC Interoffice Memorandum

To: Richard Nemer, Attorney
Legal Division

Thru: Lisa Fuentes, Manager
Water Utility Regulation Division

From: Sean Scaff, Engineering Specialist
Water Utility Regulation Division

Date: May 30, 2018

Subject: **Docket No. 48151**, *Application of Bolivar Utility Services, LLC and Undine Texas Environmental, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Galveston County*

On March 8, 2018, Undine Texas Environmental, LLC (Undine or Buyer) and Bolivar Utility Services, LLC (Bolivar or Seller) (collectively, Applicants) filed an application for Sale, Transfer, or Merger (STM) of facilities and certificate rights in Galveston County, Texas, pursuant to Texas Water Code Ann. (TWC) § 13.301 and the 16 Texas Administrative Code (TAC) § 24.109. Specifically, Undine seeks approval to acquire facilities and to transfer all the service area under Bolivar's sewer Certificate of Convenience and Necessity (CCN) No. 21026. The requested area includes approximately 37,468 acres and 668 connections.

Based on Staff's review of the additional information filed by Undine on April 18, 2018, Staff recommends that the application and mapping information be deemed sufficient for filing and be found administratively complete. Staff also recommends the following actions be required of Undine:

- 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; and
 - d) affected customers.

- 2) Provide correct notice of the application to the following entities:
 - Bolivar Peninsula SUD
 - Cade Ranch WCID 1
 - Chambers County Judge
 - City of Galveston (CCN No. 20519)
 - City of Texas City (CCN No. 20050)
 - Galveston County Judge
 - Galveston County Navigation District 1
 - Gulf Coast Waste Disposal Authority (CCN No. 20465)
 - Gulf Coast Water Authority
 - Harris Galveston Coastal Subsidence District
 - Jefferson County Drainage District 6
 - Lower Neches Valley Authority

- Port Bolivar Improvement District
- Sabine Neches Navigation District of Jefferson County
- Sabine Pass Port Authority
- Southeast Texas Agricultural Development District
- Trinity Bay Conservation District
- Trinity River Authority of Texas

- 3) Provide an individual notice to neighboring utilities, other affected parties, and customers. Information related to districts including addresses can be obtained by the Applicant from the TCEQ web site located at <http://www14.tceq.texas.gov/iwud/>.
- 4) 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.

PUBLIC UTILITY COMMISSION



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, NEIGHBORING UTILITIES AND
AFFECTED PARTIES
DOCKET NO. *48151*

STATE OF TEXAS
COUNTY OF _____

_____ has provided individual
notice to the following entities and customers:

DATE OF NOTICE

OATH

I, _____, being duly sworn, file this form as
_____ (indicate relationship to applicant, that is,
owner, member of 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 for 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 _____, 20____,
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 _____