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APPLICATION OF BAMMEL FOREST UTILITY COMPANY AND QUADVEST, L.P. FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN HARRIS COUNTY

PUBLIC UTILITY COMPLISSION

OF TEXAS

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COMMISSION STAFF'S AMENDED RECOMMENDATION

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, to submit this Amended Recommendation. On July 18, 2018, Bammel Forest Utility Company (Bammel Forest) and Quadvest, L.P. (Quadvest) (collectively, Applicants) filed an application for sale, transfer or merger of facilities and certificate rights in Harris County, Texas. Specifically, Quadvest, Certificate of Convenience and Necessity (CCN) No. 11612, seeks approval to acquire all facilities and to transfer all of the water service area and cancel Bammel Forest's water CCN No. 11597.

On August 20, 2018, Staff filed its Recommendation on Administrative Completeness and Proposed Notice, recommending that the application be deemed sufficient for filing and be found administratively complete, as supported by the memorandum from Debbie Reyes of the Commission's Water Utility Regulation Division, which included a proposed notice that incorrectly indicated that customers would be charged Quadvest rates as opposed to the current Bammel Forest rates. Accordingly, Staff files the attached memorandum and proposed notice from Ms. Reyes, which correctly reflects that customers would be charged Bammel Forest rates.



Dated: August 20, 2018

Respectfully Submitted,

PUBLIC UTILITY COMMISSION OF TEXAS **LEGAL DIVISION**

Margaret Uhlig Pemberton **Division Director**

Stephen Mack Managing Attorney

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Justine Isabelle Caedo Tan State Bar No. 24104914 1701 N. Congress Avenue P.O. Box 13326 Austin, Texas 78711-3326 (512) 936-7163 (512) 936-7268 (facsimile) Justine.Tan@puc.texas.gov

DOCKET NO. 48533

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on August 20, 2018, in accordance with 16 TAC § 22.74.

Justine Isabelle Caedo Tan

То:	Iya Tan, Attorney Legal Division	
Thru:	Lisa Fuentes, Manager Water Utility Regulation Division	
From:	Debbie Reyes, Program Specialist Water Utility Regulation Division	
Date:	August 15, 2018	
Docket	48533 , Application of the Quadvest LP and Bammel Forest Utility Compar Sale, Transfer or Merger of Certificate Rights in Harris County	

On July 18, 2018, the Bammel Forest Utility Company (Bammel or Seller) and Quadvest LP (Quadvest or Buyer), (Collectively, Applicants), filed an application for sale, transfer, or merger (STM) of facilities and certificate rights in Harris County, Texas, pursuant to Texas Water Code Ann. (TWC) § 13.301 and the 16 Tex. Admin. Code (TAC) § 24.109. Specifically, Quadvest LP, Certificate of Convenience and Necessity (CCN) No. 11612, seeks approval to acquire all facilities and to transfer all of the water service area and cancel Bammel's water CCN No. 11597. The requested area includes approximately <u>324</u> total acres and <u>346</u> current customers.

Based on Staff's review of the above referenced application, Staff recommends that the application be deemed sufficient for filing and be found administratively complete. Staff also recommends 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; and
 - d) any affected customers, and other affected parties in the requested area
- 2) Provide notice to the following:
 - HMW SUD, CCN No. 10342
 - Westador MUD, CCN No. 10869
 - Bammel Forest Utility Company, CCN No. 11597
 - Lass Water Company, CCN No. 12258
 - Aqua Texas, Inc., CCN No. 13203
 - Bammel Utility District
 - Bilma PUD
 - Bridgestone MUD
 - Central Harris County Regional Water Authority
 - CNP Utility District

- Coastal Water Authority
- Cypress-Klein Utility District
- Cypresswood Utility District
- Fountainhead MUD
- Gulf Coast Waste Disposal Authority
- Harris County FCD
- Harris County MUD 16
- Harris County MUD 44
- Harris County MUD 58
- Harris County MUD 86
- Harris County MUD 189
- Harris County MUD 200
- Harris County MUD 211
- Harris County MUD 233
- Harris County MUD 275
- Harris County MUD 304
- Harris County MUD 316
- Harris County MUD 399
- Harris County MUD 48
- Harris County WCID 91
- Harris County WCID 109
- Harris County WCID 110
- Harris County WCID 132
- Heatherloch MUD
- Klein PUD
- Louetta Road Utility District
- North Forest MUD
- North Harris County Regional Water Authority
- Northwest Harris County MUD 20
- Northwest Harris County MUD 21
- Northwest Harris County MUD 22
- Northwest Harris County MUD 23
- Northwest Harris County MUD 36
- Ponderosa Forest Utility District
- Port of Houston Authority
- Spring Creek Forest PUD
- Terranova West MUD
- Harris-Galveston Coastal Subsidence District
- Harris County Judge Ed Emmett
- 3) Provide an accurate map delineating the requested service area with each 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 <u>http://www14.tceq.texas.gov/iwud/</u>
- 4) File in the docket a map and copy of notice along with an affidavit specifying every person and entity to whom notice was provided, the date that the notice was provided. It is recommended that the Applicant use the attached notice and affidavit to meet these requirements.

Notice to Current Customers, Neighboring Systems, and Cities QUADVEST LP, CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO. 11612, NOTICE OF INTENT TO PURCHASE FACILITIES AND TO TRANSFER/CANCEL WATER SERVICE AREA UNDER CCN NO. 11597 FROM BAMMEL FOREST U TILITY COMPANY IN HARRIS, TEXAS

To:		Date Notice Mailed:	, 201
(Name of Custom	er, Neighboring System, or City)		
(Address)			
(City	State Zip)		
Quadvest LP	26926 FM 2978,	Magnolia, TX	77354
(Purchaser's Name)	(Address)	(City), (State)	(Zip Code)

has submitted an application with the Public Utility Commission of Texas (Commission) to purchase facilities and to transfer/cancel certificated service area under CCN No. CCN No. 11597 in Harris County in TX from:

Bammel Forest Utility Company	PO Box 90038,	Houston, TX	77290
(Purchasers or Transferee'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:

Bammel Forest, Pecan Forest, and Bammel Timbers

The requested area is located approximately <u>18</u> miles <u>southeast</u> of downtown <u>Houston</u>, TX, and is generally bounded on the north by <u>Cypress Creek</u>; on the east by <u>Kuykendahl Road</u>; on the south by <u>Cypress Creek Parkway</u>; and on the west by <u>Northgate Forest Drive</u>.

The requested area includes approximately <u>324</u> total acres and <u>346</u> current customers.

This transaction will have the following effect on the current customers' rates and services: Future customers will be charged the current rates of Bammel Forest Utility Company.

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 (32412) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (TTY) may contact the commission at (32412) 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.

Si desea información en español, puede llamar al 1-888-782-8477.

Peter Gregg, Attorney 512-457-8000 Utility Representative

Quadvest LP Utility Name

PUBLIC UTILITY COMMISSION



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, NEIGHBORING UTILITIES AND **AFFECTED PARTIES**

Docket No. 48533

STATE OF TEXAS COUNTY OF _____

notice to the following entities and customers:

has provided individual

DATE

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