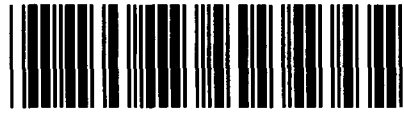




Control Number: 48680



Item Number: 11

Addendum StartPage: 0

SEP 12 2018

APPLICATION OF BLUEBONNET §  
HILLS WATER SUPPLY §  
CORPORATION AND CITY OF §  
CRESSON FOR SALE, TRANSFER, §  
OR MERGER OF FACILITIES AND §  
CERTIFICATE RIGHTS IN PARKER §  
COUNTY §

PUBLIC UTILITY COMMISSION AM 9:19  
OF TEXAS PUBLIC UTILITY COMMISSION  
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 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 September 12, 2018, Bluebonnet Hills Water Supply Corporation (Bluebonnet) and the City of Cresson (Cresson) (collectively, Applicants), filed an application for sale, transfer, or merger of facilities and certificate rights in Parker and Johnson Counties, Texas. Specifically, Cresson seeks approval to acquire facilities and to transfer water service area from Bluebonnet under water Certificate of Convenience and Necessity (CCN) No. 12290. The requested area includes approximately 436 acres and 164 connections. Applicants filed supplemental information on September 27, 2018 and December 7, 2018.

On December 7, 2018, Order No. 2 was issued establishing a deadline of February 20, 2019, 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. STAFF'S SUPPLEMENTAL RECOMMENDATION**

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

11

### III. NOTICE

Staff further recommends the Applicants 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, 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 of the application to the following:
  - B F E Water Company;
  - Bourland Estates WSC;
  - Brazos River Authority;
  - Cresson Crossroads LLC;
  - Johnson County Judge;
  - Parker County Judge;
  - Prairielands GCD; and
  - Upper Trinity GCD.
  
- 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, along with a representative copy of the actual notice provided, within 30 days of the date of the notice. It is recommended that the Applicants use the attached notice and affidavit to meet these requirements.

#### IV. PROCEDURAL SCHEDULE

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

<b>Event</b>	<b>Date</b>
Deadline for Applicants to file notices and affidavits of proof of notice	March 18, 2019
Deadline for Staff to file a recommendation on sufficiency of notice	Within 10 days of Applicants 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, as supplemented 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.

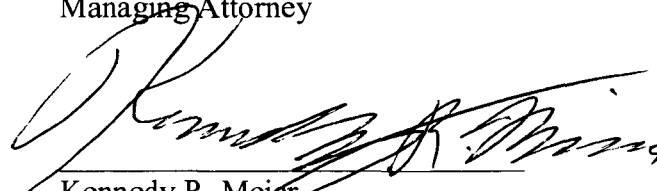
Date: February 14, 2019

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

Margaret Uhlig Pemberton  
Division Director

Katherine Lengieza Gross  
Managing Attorney

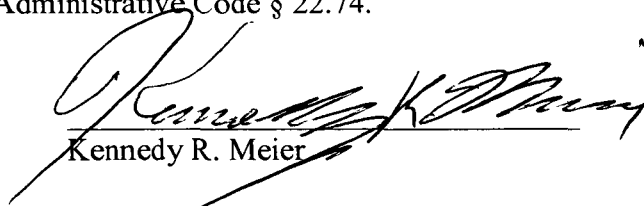


Kennedy R. Meier  
State Bar No. 24092819  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326  
(512) 936-7265  
(512) 936-7268 (facsimile)  
Kennedy.Meier@puc.texas.gov

**DOCKET NO. 48680**

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on February 14, 2019, in accordance with 16 Texas Administrative Code § 22.74.



Kennedy R. Meier

## PUC Interoffice Memorandum

---

**To:** Kennedy Meier  
Legal Division

**Thru:** Tammy Benter, Director  
Water Utility Regulation Division

**From:** Elisabeth English, Engineering Specialist  
Water Utility Regulation Division

**Date:** February 14, 2019

**Subject:** **Docket No. 48680**, *Application of Bluebonnet Hills Water Supply Corporation and the City of Cresson for Sale, Transfer, or Merger of Facilities and Certificate Rights in Parker County*

On September 12, 2018, the City of Cresson (Cresson or Purchaser) and Bluebonnet Hills Water Supply Corporation (Bluebonnet or Seller) (collectively, Applicants) filed an application for Sale, Transfer, or Merger (STM) of facilities and certificate rights in Parker and Johnson Counties, Texas, pursuant to Texas Water Code Ann. (TWC) § 13.301 and the 16 Texas Administrative Code (TAC) § 24.239 (formerly 24.109). Specifically, Cresson seeks approval to acquire facilities and to cancel Bluebonnet's water Certificate of Convenience and Necessity (CCN) No. 12290. The requested area includes approximately 436 acres and 164 connections.

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, 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 correct notice of the application to the following:
  - B F E Water Company (CCN No. 12899)
  - Bourland Estates WSC (transfer of CCN pending in Commission Docket No. 48232)
  - Brazos River Authority
  - Cresson Crossroads LLC (CCN No. 13153)
  - Johnson County Judge
  - Parker County Judge
  - Prairielands GCD
  - Upper Trinity GCD

- 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, along with a representative copy of the actual notice 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*

**CITY OF CRESSON'S NOTICE OF INTENT TO PURCHASE WATER FACILITIES AND TO CANCEL WATER SERVICE AREA UNDER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO. 12290 FROM BLUEBONNET HILLS WATER SUPPLY CORPORATION IN PARKER AND JOHNSON COUNTIES, TEXAS**

To: \_\_\_\_\_ Date Notice Mailed: \_\_\_\_\_, 201\_\_  
(Name of Customer, Neighboring System, or City)  
\_\_\_\_\_  
(Address)  
\_\_\_\_\_  
(City State Zip)

City of Cresson P.O. Box 619 Cresson, Texas 76035  
(Purchaser's Name) (Address) (City), (State) (Zip Code)

has submitted an application with the Public Utility Commission of Texas (Commission) to purchase water facilities and to cancel the water service area under CCN No. 12290 in Parker and Johnson Counties, TX from:

Bluebonnet Hills Water Supply Co. P.O. Box 632 Cresson, Texas 76035  
(Seller'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: Bluebonnet Hills.

The requested area is located approximately 2 miles north of downtown Cresson, TX, and is generally bounded on the north by a line 1 mile north of Parker/Johnson county line; on the east by a line ¾ mile east of US 377; on the south by a line 400' south of S Skyline Ct; and on the west by US 377. The requested area includes approximately 436 total acres and 164 current customers.

A copy of the map showing the requested area is available at: City of Cresson Post Office, City Hall and on City of Cresson's website.

This transaction will have the following effect on the current customers' rates and services: Affected customers will be charged the city's existing rate.

*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 valid public hearing is requested, the Commission 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. An evidentiary hearing is a legal proceeding similar to a civil trial in state district court.

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

\_\_\_\_\_  
Utility Representative

\_\_\_\_\_  
Utility Name



# PUBLIC UTILITY COMMISSION



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, NEIGHBORING UTILITIES AND  
AFFECTED PARTIES  
DOCKET NO. 48680

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 \_\_\_\_\_