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DOCKET NO. 48863

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PUBLIC UTILITY COMMISSION
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OF TEXAS
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APPLICATION OF CAMP JOY §
WATER AND TEXAS WATER §
SYSTEMS, INC. FOR SALE, §
TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN UPSHUR COUNTY §

**COMMISSION STAFF'S RECOMMENDATION ON ADMINISTRATIVE
COMPLETENESS AND PROPOSED PROCEDURAL SCHEDULE**

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and in response to Order No. 1, files this Recommendation on Administrative Completeness and Proposed Procedural Schedule. Staff recommends that the application be deemed administratively incomplete and that the applicants be ordered to address the identified deficiencies. In support thereof, Staff shows the following:

I. BACKGROUND

On November 9, 2018, Brookshires Camp Joy (Brookshires) and Texas Water Systems, Inc. (TWS) (Collectively, Applicants) filed an application for Sale, Transfer, or Merger of Facilities and Certificate Rights in Upshure County, Texas. Specifically, the Purchaser seeks approval to acquire facilities, transfer water service area and cancel Brookshires's water Certificate of Convenience and Necessity (CCN) No. 12473. The requested area includes approximately 405 acres and 119 connections. Applicants filed supplemental information on November 29, 2018.

On November 14, 2018, Order No. 1 was issued establishing a deadline of December 9, 2018 for Staff to file a 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 Nabaraj Pokharel 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.

III. NOTICE

The Commission's notice requirement for sale, transfer, merger applications are provided by 16 Texas Administrative Code (TAC) § 24.239. Specifically, Staff recommends that Applicants be ordered to provide notice according to the attached memorandum of Nabaraj Pokharel.

IV. PROCEDURAL SCHEDULE

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

| Event | Date |
|---|--|
| Deadline for Applicants to file with the Commission signed affidavits that the notice was given, along with a copy of the notice sent to the affected parties | January 8, 2019 |
| 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 for intervention; deadline for intervenors to request a hearing on the merits | 30 days after notice is issued |

V. CONCLUSION

For the reasons discussed above, Staff respectfully 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 for further processing of this docket.

Dated: November 30, 2018

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director



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CERTIFICATE OF SERVICE

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



Katherine Lengieza Gross

PUC Interoffice Memorandum

To: Skyler Collins, Attorney
Legal Division

Thru: Lisa Fuentes, Manager
Water Utility Regulation Division

From: Nabaraj Pokharel, Staff Engineer
Water Utility Regulation Division

Date: November 29, 2018

Subject: *Docket No. 48863: Application of Brookshires Camp Joy and TWS Holding Texas Water System for Sale, Transfer, or Merger of Facilities and Certificate Rights in Upshur County*

On November 9, 2018, TWS Holding Texas Water System (TWS or Purchaser) and Brookshires Camp Joy (Brookshires or Seller) (collectively, Applicants) filed an application for Sale, Transfer, or Merger (STM) of facilities and certificate rights in Upshur County, Texas, pursuant to Texas Water Code Ann. (TWC) § 13.301 and the 16 Texas Administrative Code (TAC) § 24.239. Specifically, the Purchaser seeks approval to acquire facilities, transfer water service area and cancel Brookshires Water Certificate of Convenience and Necessity (CCN) No. 12960. The requested area includes approximately 405 acres and 119 connections.

Based on Staff's review of the above referenced application, 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; and
 - d) Landowners who own a tract of land that is at least 25 acres and is wholly or partly located in the requested area to be certified. The landowner information may be obtained from the county appraisal district tax rolls for the county or counties in which the requested area is located; and
 - e) Any affected customers, and other affected parties in the requested area.
- 2) Provide correct notice of the application to the following entities:
 - Bi County WSC (CCN No. 10490)
 - City of Hughes Springs (CCN No. 10531)
 - City of Ore City (CCN No. 10424)
 - Cypress Valley Navigation District
 - Diana SUD (CCN No. 10425)
 - MIMS WSC (CCN No. 11650)
 - Northeast Texas Municipal Water District
 - Upper Sabine Valley SWMD
 - Upshur County Judge

- 3) Provide an accurate map delineating the requested area with each individual notice to neighboring utilities, other affected parties, landowners and customers. Information related to districts including addresses can be obtained by the Applicant from the TCEQ's web site located at <http://www14.tceq.texas.gov/iwud/>
- 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, and the publisher's affidavit for proof of newspaper publication. It is recommended that the Applicant use the attached notices and affidavits to meet these requirements.

Application Content:

- The Applicants must provide a TCEQ inspection letter for Brookshires Camp Joy, PWS ID No. 2300015.

Notice to Current Customers, Neighboring Systems, and Cities

TWS HOLDING TEXAS WATER SYSTEM, CERTIFICATE OF CONVENIENCE AND
NECESSITY (CCN) NO. 12473, NOTICE OF INTENT TO PURCHASE WATER
FACILITIES AND TO TRANSFER/CANCEL BROOKSHIRES CAMP JOY'S WATER
SERVICE CCN NO. 12960 IN UPSHUR COUNTY, TEXAS

To: _____ Date Notice Mailed: _____, 201__
(Name of Customer, Neighboring System, or City)

(Address)

(City State Zip)

| | | | |
|---------------------------------------|------------------------|------------------|--------------|
| <u>TWS Holding Texas Water System</u> | <u>7891 US Hwy 271</u> | <u>Tyler, TX</u> | <u>75708</u> |
| (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 transfer/cancel water CCN No. 12960 in Upshur County, TX from:

| | | | |
|-----------------------------|---------------------|---------------------|--------------|
| <u>Brookshires Camp Joy</u> | <u>P.O. Box 397</u> | <u>One City, TX</u> | <u>75683</u> |
| (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:

The requested area is located approximately 2 miles north-northeast of downtown Ore City, TX, and is generally bounded on the north by a line approx. ½ mile south of Upshur County Landing Road; on the east by Lake O' The Pines; on the south by Upshur/Marion County Line; and on the west by N Front Street. The requested area includes approximately 405 total acres and 119 current customers.

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. 48863

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 _____