

Control Number: 49231



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DOCKET NO. 49231

APPLICATION OF PONDER
ENTERPRISES, INC. DBA
LONGHORN COMPANY AND LONE
STAR WATER COMPANY FOR SALE,
TRANSFER, OR MERGER OF
FACILITIES AND CERTIFICATE
RIGHTS IN DENTON COUNTY

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PUBLIC UTILITY COMMISSION
OF TEXAS

**COMMISSION STAFF'S SUPPLEMENTAL 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. 2, files this Supplemental Recommendation on Administrative Completeness and Proposed Procedural Schedule. In support thereof, Staff shows the following:

I. BACKGROUND

On February 15, 2019, Ponder Enterprises, Inc. d/b/a Longhorn Company and Lone Star Water Company (collectively, Applicants) filed an application for sale, transfer, or merger of facilities and certificate rights in Denton County, Texas. Specifically, the Applicants seek to transfer Ponder's facilities and service area under water certificate of convenience and necessity number 12810 to Lone Star. Applicants filed supplemental information on April 9, 2019.

On March 21, 2019, Order No. 2 was issued establishing a deadline of May 17, 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. ADMINISTRATIVE COMPLETENESS

As detailed in the attached memorandum from Jolie Mathis 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 requirements 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 as detailed in the attached memorandum of Jolie Mathis.

IV. PROCEDURAL SCHEDULE

Staff recommends the application be found administratively complete. Staff therefore 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	June 17, 2019
Deadline for Staff to file a recommendation on sufficiency of notice	Within 10 days of the Applicants 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 the 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.

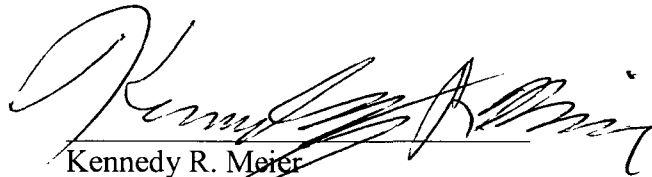
Date: May 17, 2019

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Katherine Lengieza Gross
Managing Attorney

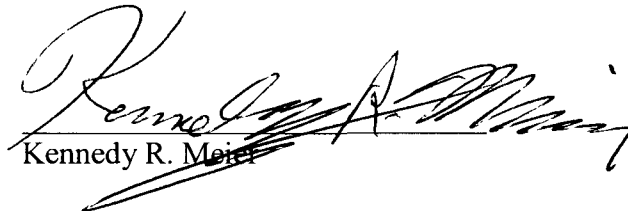


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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on May 17, 2019, in accordance with 16 TAC § 22.74.



Kennedy R. Meier

PUC Interoffice Memorandum

To: Kennedy Meier, Attorney
Legal Division

Thru: Lisa Fuentes, Manager
Water Utility Regulation Division

From: Jolie Mathis, Staff Engineer
Water Utility Regulation Division

Date: May 17, 2019

Subject: **Docket No. 49231**, *Application of Ponder Enterprises, Inc. DBA Longhorn Company and Lone Star Water Company for Sale, Transfer, or Merger of Facilities and Certificate Rights in Denton County*

On February 15, 2019, Lone Star Water Company (Purchaser) and the Ponder Enterprises, Inc. (Seller) (collectively, Applicants) filed an application for Sale, Transfer, or Merger (STM) of facilities and certificate rights in Denton County, Texas, pursuant to Texas Water Code Ann. (TWC) § 13.301 and the 16 Texas Administrative Code (TAC) § 24.239. Specifically, Purchaser seeks to obtain a new CCN and cancel Seller's water CCN No. 12810. The requested area includes approximately 458 acres and 332 connections.

A Staff review of the additional information filed by the applicant on April 9, 2019, 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 city with an extraterritorial jurisdiction that overlaps the requested area and
 - e) any affected customers, and other affected parties in the requested area; and
- 2) Provide correct notice of the application to the following:
 - Aqua Texas Inc (CCN No. 13201)
 - City of Denton (CCN No. 10195)
 - City of Dish
 - City of Justin (CCN No. 10167)
 - Denton County Judge
 - North Texas Groundwater Conservation District
 - Terra Southwest Inc (CCN No. 11608)
 - Town of Northlake (CCN No. 12915)
 - Town of Ponder (CCN No. 12951)
 - Upper Trinity Regional Water District

- 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 <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. It is recommended that the Applicant use the attached notice and affidavit to meet these requirements.

Notice to Current Customers, Neighboring Systems, and Cities

**LONE STAR WATER COMPANY'S NOTICE OF INTENT TO PURCHASE WATER
FACILITIES AND TO CANCEL PONDER ENTERPRISES, INC.'S WATER CCN NO. 12810
IN DENTON COUNTY, TEXAS**

To: _____ Date Notice Mailed: _____, 2019
(Name of Customer, Neighboring System, or City)

(Address)

(City State Zip)

Lone Star Water Company 5910 N. Central Expy., Suite 1580 Dallas, TX 75206
(Purchaser's Name) (Address) (City), (State) (Zip Code)

has submitted an application with the Public Utility Commission of Texas (Commission) to purchase Ponder Enterprises, Inc.'s water facilities and to transfer water certificated service area under CCN No. 12810, in Denton County, TX from:

Ponder Enterprises, Inc. 5772 Tim Donald Rd. Justin, TX 76247
(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 service includes the following subdivisions: Longhorn Meadows, Westover Ranch, Double Rock, Meadow Ranch.

Longhorn Meadows, Westover Ranch

The requested area subject to this transaction is located approximately 3 miles south of downtown Ponder, Texas, and is generally bounded on the north by Swafford Road; on the east by Tim Donald Road and FM 156; on the south by Eakin Cemetery Road; and on the west by Angus Drive. The total requested area for the water CCN service area being transferred includes approximately 388 acres and 285 current customers.

Double Rock

The requested area subject to this transaction is located approximately 2 miles southeast of downtown Ponder, Texas, and is generally bounded on the north by Seabom Road; on the east by Florence Road; on the south by Blair Road; and on the west by Coach Road. The total requested area for the water CCN service area being transferred includes approximately 46 acres and 35 current customers.

Meadow Ranch

The requested area subject to this transaction is located approximately 3 miles south of downtown Ponder, Texas, and is generally bounded on the north by Eakin Cemetery Road; on the east by Tim Donald Road; on the south by Denton Creek; and on the west by Hovenkamp Lane. The total requested area for the water CCN service being transferred includes approximately 24 acres and 12 current customers.

A copy of the map showing the requested area is available at: 5910 N. Central Expy., Suite 1580, Dallas, TX 75206

This transaction will not have an effect on the current customer's rates and services.

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. 49231

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 _____