

Control Number: 49382



Item Number: 15

Addendum StartPage: 0

2019 JUN 10 PM 4:00  
PUBLIC UTILITY COMMISSION  
OF TEXAS  
MEMORANDUM

APPLICATION OF NERRO SUPPLY, §  
LLC AND UNDINE TEXAS §  
ENVIRONMENTAL, LLC FOR SALE, §  
TRANSFER, OR MERGER OF §  
FACILITIES AND CERTIFICATE §  
RIGHTS IN CHAMBERS, HARRIS AND §  
WALKER COUNTIES §

PUBLIC UTILITY COMMISSION  
OF TEXAS

**UNDINE TEXAS ENVIRONMENTAL, LLC'S RESPONSES TO ORDER NO. 3**

On May 29, 2019, the Administrative Law Judge issued Order No. 3 establishing a deadline of June 19, 2019 for Applicants to supplement the application to cure the deficiencies described in the April 23, 2019 memorandum by Lisa Fuentes. Therefore, this response is timely filed.

Undine Texas Environmental, LLC ("Undine") provides the following requested information:

**Applicant Content:**

1. The number of customers to be transferred with and without deposits.

**Response:**

There are 350 customers to be transferred without deposits and 44 customers to be transferred with deposits.

2. The inspection reports from the Texas Commission on Environmental Quality associated with the date of the last inspection provided in the application.

**Response:**

See Attachments A-1 through A-3. Can also be found in Attachment K of the STM Application Docket No. 49382.

**Financial Information:**

1. REDACTED.

**Response:**

See Attachment B-1 (submitted confidentially).

2. REDACTED.

Response:

See Attachment B-2 (submitted confidentially).

3. A list of the assets for each system being transferred that includes the date in service, original cost amount, and accumulated depreciation amount for each asset.

Response:

See attachment B-3 (submitted confidentially).

4. REDACTED.

Response:

See Attachment B-4 (submitted confidentially).

5. Indicate what entity's historical and projected financial information and systems were included in the application. The information should be provided for the purchasing entity.

Response:

The historical and projected financial information and systems are for Nerro Supply, LLC wastewater.

6. Undine's most current financial statements compiled and audited.

Response:

See attachment B-5 (submitted confidentially).

**Mapping Content:**

1. Confirm that the intent of the application is to transfer all and cancel Nerro Supply (20366) to Undine's CCN No. 20816, as noted on the general location and detailed maps.

Response:

Undine confirms that this is correct.

2. The notice documentation describing the written location of each requested area and provide the number of customer connections within each requested area.

Response:

See attachment C.

Respectfully submitted,

**DuBois, Bryant & Campbell, LLP**

By: 

Peter T. Gregg  
State Bar No. 00784174  
303 Colorado, Suite 2300  
Austin, Texas 78701  
[pgregg@dbcllp.com](mailto:pgregg@dbcllp.com)  
(512) 457-8000  
(512) 457-8008 (fax)

**Attorneys for Undine Texas  
Environmental, LLC**

**CERTIFICATE OF SERVICE**

I certify by my signature above that a true and correct copy of the foregoing document was served on the persons as indicated below on this the 19<sup>th</sup> day of June, 2019:

Rustin Tawater  
Public Utility Commission of Texas  
Legal Division  
1701 N. Congress Avenue  
P. O. Box 13326  
Austin, Texas 78711-3326  
[Rustin.tawater@puc.texas.gov](mailto:Rustin.tawater@puc.texas.gov)

ATTACHMENT A-1

TCEQ INFORMATION

BAYRIDGE WASTEWATER TREATMENT FACILITY

**Part F: TCEQ Public Water System or Sewer (Wastewater) Information**

Complete Part F for **EACH** Public Water or Sewer system to be transferred subject to approval of the transaction. Attach a separate sheet with this information if you need more space for additional systems being transferred.

22. A. For Public Water System (PWS):

TCEQ PWS Identification Number: \_\_\_\_\_ (7 digit ID)

Name of PWS: \_\_\_\_\_

Date of last TCEQ compliance inspection: \_\_\_\_\_ (attach TCEQ letter)

Subdivisions served: \_\_\_\_\_

B. For Sewer service:

TCEQ Water Quality (WQ) Discharge Permit Number: WQ 0013643-001 (8 digit ID)

Name of Wastewater Facility: Bayridge Wastewater Treatment Facility

Name of Permittee: Nerro Supply, LLC

Date of last TCEQ compliance inspection: 07/19/2016 (attach TCEQ letter)

Subdivisions served: Bayridge and Oaks at Houston Point

Date of application to transfer permit *submitted* to TCEQ: \_\_\_\_\_

23. List the number of *existing* connections, by meter/connection type, to be affected by the proposed transaction:

Water			Sewer	
	Non-metered	2"	116	Residential
	5/8" or 3/4"	3"		Commercial
	1"	4"		Industrial
	1 1/2"	Other		Other
Total Water Connections:			Total Sewer Connections:	116

24. A. Are any improvements required to meet TCEQ or Commission standards?

No  Yes

B. Provide details on each required major capital improvement necessary to correct deficiencies to meet the TCEQ or Commission standards (attach any engineering reports or TCEQ approval letters):

Description of the Capital Improvement:	Estimated Completion Date:	Estimated Cost:

C. Is there a moratorium on new connections?

No  Yes:

25. Does the system being transferred operate within the corporate boundaries of a municipality?

No  Yes: \_\_\_\_\_ (name of municipality)

If yes, indicate the number of customers within the municipal boundary.

Water: \_\_\_\_\_ Sewer: \_\_\_\_\_

26. A. Does the system being transferred purchase water or sewer treatment capacity from another source?  
 No  Yes: If yes, attach a copy of purchase agreement or contract.

Capacity is purchased from: \_\_\_\_\_  
 Water: \_\_\_\_\_  
 Sewer: \_\_\_\_\_

B. Is the PWS required to purchase water to meet capacity requirements or drinking water standards?  
 No  Yes

C. What is the amount of water supply or sewer treatment purchased, per the agreement or contract? What is the percent of overall demand supplied by purchased water or sewer treatment (if any)?

	Amount in Gallons	Percent of demand
Water:		0.00%
Sewer:		0.00%

D. Will the purchase agreement or contract be transferred to the Transferee?  
 No  Yes:

27. Does the PWS or sewer treatment plant have adequate capacity to meet the current and projected demands in the requested area?  
 No  Yes:

28. List the name, class, and TCEQ license number of the operator that will be responsible for the operations of the water or sewer utility service:

Name (as it appears on license)	Class	License No.	Water or Sewer

**Part G: Mapping & Affidavits**

**ALL applications require mapping information to be filed in conjunction with the STM application.  
 Read question 29 A and B to determine what information is required for your application.**

29. A. For applications requesting to transfer an entire CCN, without a CCN boundary adjustment, provide the following mapping information with each of the seven (7) copies of the application:

1. A general location (small scale) map identifying the requested area in reference to the nearest county boundary, city, or town. The following guidance should be adhered to:
  - i. If the application requests to transfer certificated service areas for both water and sewer, separate maps must be provided for each.
  - ii. A hand drawn map, graphic, or diagram of the requested area is not considered an acceptable mapping document.

Bryan W. Shaw, Ph.D., P.E., *Chairman*  
Toby Baker, *Commissioner*  
Jon Niemann, *Commissioner*  
Richard A. Hyde, P.E., *Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

July 19, 2016

Charles Peterson, *Manager*  
Nerro Supply, LLC  
PO Box 691008  
Houston, Texas 77269

Re: *Notice of Compliance with Notice of Violation dated December 11, 2015:*  
Nerro Supply, LLC, Bayridge Wastewater Treatment Plant, FM 2354,  
Chambers County, Texas  
TPDES Permit No. 13643-001, EPA ID No. TX0042081

Dear Mr. Peterson:

This letter is to inform you that the Texas Commission on Environmental Quality (TCEQ) Houston Region Office has received adequate compliance documentation on January 16 and July 6, 2016 to resolve the alleged violations documented during the investigation of the above-referenced regulated entity conducted on October 14, 2015. Based on the information submitted, no further action is required concerning this investigation.

The Texas Commission on Environmental Quality appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions, please feel free to contact Ms. Stacy Pentecost in the Houston Region Office at (713) 767-3667.

Sincerely,

A handwritten signature in cursive script that reads "Nicole Bealle".

Nicole Bealle, P.G.  
Special Assistant to the Regional Director  
Region 12 Houston

NMB/SSP/ci



635 Phil Gramm Blvd.  
Bryan, TX 77807  
(979) 778-3707  
Fax (979) 778-3193



7500 W Hwy 71 Suite 105  
Austin, TX 78735  
(512) 301-9559  
Fax (512) 301-9552

Printed: 7/20/2016 2:50:50PM

Z014919

Client: **Gulf Utility Services**

**Gulf Utility Services**  
ATTN: Alan Burdell  
PO Box 691008  
Houston, TX 77269  
Phone: (281) 355-13 Fax: (281) 288-4844



PO Box 691008 | Houston, TX 77629  
Phone (281) 355-1312 | Fax (281) 355-1312

12/31/2015

Re: Bayridge Wastewater System  
Exit Interview# 13643-001 Date 10/14/2015

To Whom It May Concern,

In response to the TCEQ Exit Interview we are submitting the following information:

**#1) Alleged Violation**

- We are going to do a total rehab on the WWTP.
- Repairing all rust above the water lines and on the side of the plant
- Replace the wall that is noted for the chlorine contact chamber

**Bayridge WWTP Rehab Procedure**

1. Magna Flow to haul digester and clean basin
2. Contractor to prepare metal and build new wall between digester and CP-contact chamber. Coat inside of digester with epoxy coating
3. Contractor to weld 6" steel on outside of tank over Aeration and digester area of plant
4. Contractor to pour concrete 1' thick over base of entire plant to prevent rust on bottom of tank
5. Set Up temporary bypass pumping to remove and replace weir trough assembly. Replace brakes as needed
6. After weir replacement, setup bypass pumping to drain CI2 contact chamber. Prepare walls and epoxy coat CI2 contact chamber and V-Notch box

**#2) Concrete Manhole at the entrance of Bayridge**

- This has been repaired. Please see attached work Order and pictures.

**#3) Offsite Lift Station**

- One operative pump at WWTP

- We are replacing both pumps and this should be finalized today. Please see attached NTS letter.

Sincerley,  
Karl Skarboszewski

  
\_\_\_\_\_  
General Manager  
[karl@gulfutility.net](mailto:karl@gulfutility.net)  
832-497-1253

Date 1/4/16

## TCEQ EXIT INTERVIEW FORM: Potential Violations and/or Records Requested

Regulated Entity/Site Name	Hessco Supply LLC - Bayridge WWTP		TCEQ Add. ID No. RN No. (optional)	13643-001	
Investigation Type	CCI	Contact Made In-House (Y/N)	yes		Purpose of Investigation
Regulated Entity Contact	Michael Williams		Telephone No.	346-300-5282	Date Contacted
Title	Field Supervisor		Fax No.		Date Faxed

**NOTICE:** The information provided in this form is intended to provide clarity to issues that have arisen during the investigation process between the TCEQ and the regulated entity named above and does not represent final TCEQ findings related to violations. Any potential or alleged violations discovered after the date on this form will be communicated by telephone to the regulated entity representative prior to the issuance of a notice of violation or enforcement. Conclusions drawn from this investigation, including additional violations or potential violations discovered (if any) during the course of this investigation, will be documented in a final investigation report.

Issue		For Records Request: identify the necessary records, the company contact and date due to the agency. For Alleged and Potential Violation issues: include the rule in question with the clearly described potential problem. Other type of issues: fully describe.			
No.	Type <sup>1</sup>	Rule Citation (if known)	Significant	Description of Issue	
1.)	AV			Rust noted on WWTP. A few small holes noted at the top of the aeration basins and the metal wall between the aeration basins & chlorine contact basin - is rusty and the metal is flaking off.	
2.)	P.V.			the concrete hole at the entrance to the Bayridge Subdiv. was cracked	
3.)	A.V.			Only 1 operative pump was noted in the Bayridge lift station	

<sup>1</sup>Issue Type Can Be One or More of: AV (Alleged Violation), PV (Potential Violation), O (Other), or RR (Records Request)

Did the TCEQ document the regulated entity named above operating without proper authorization?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Did the investigator advise the regulated entity representative that continued operation is not authorized?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Document Acknowledgment.** Signature on this document establishes only that the regulated entity (company) representative received a copy of this document and associated continuation pages on the date noted. If contact was made by telephone, document will be faxed to regulated entity; therefore, signature not required.

Investigator Name (Signed & Printed)	Date	Regulated Entity Representative Name (Signed & Printed)	Date
Stacy Pinkerton	10-14-15	[Signature]	10-14-15

If you have questions about any information on this form, please contact your local TCEQ Regional Office.

Individuals are entitled to request and review their personal information that the agency gathers on its forms. They may also have any errors in their information corrected. To review such information, call 512-239-3282.



**281-477-7867**

September 22, 2015  
Karl  
Gulf  
RE: Bay Ridge LS

Karl,  
Bay Ridge LS is in need of some repairs the existing pumps are worn out from years of wear and tear with corrosion, we have looked at several options but do to the 90' TDH of this lift station and required flow GPM. Replace existing pumps with same style is the most cost efficient to the customer. We have a grinder pump in wet well as of today keeping flow moving, customer has spent a lot of \$\$\$ over the years with patch work.

NTS is pleased to bid:

Cost to rehab the existing lift station with the following: install (2) two new T4 pump ends, suction piping, fittings, supports, belts, pulleys, (1) one new motor, repair skids, wiring, floats, gaskets and misc. hardware.  
Labor and material: \$27,130.00

Should you have any questions or require any additional information, please call me at 281-477-7867 or cell 832-473-8507

Sincerely,

Greg Holt  
Operations Manager

GH

# Work Order #45709

## - Type, Assignment, Approval, Status

---

Add Purchase Order

**QB WO #** 45709 **Route Operator**

**Days Past Due** 17

**Date**

**Customer - Name** Byars, Bertha **District Account**

**Account #** 23-20627 **Customer - Related Client** 23

**Client/System Name** NERRO2 Residents - South

**Work Order Type** Survey/Investigate/Maintenance/Repairs - District Assets **Dept** Field Service

**Work Order Type - Operator Description** Survey/Investigate/Maintenance/Repairs - District Assets

**Client #** 23 **Category**

**Date Issued** 12-18-2015 **Date to be completed** 12-18-2015

**Requested By** Michael Williams

**Assigned To New** Bell, Jason

**Team Members** Rachel Montgomery

**Priority** High **Status** Completed

**Could Not Complete**

**Date Completed** 12-23-2015 **Completed By** Rachel Montgomery

**Note to Operator** regROUT top of manhole and take photos for tceq. Manhole is on bayridge drive on side easement of this adress

**Instructions**

**Field Notes** -- [DEC-23-15 5:29 PM Rachel Montgomery] -----  
RegROUTed manhole and took pictures (attached)

**Time Check**

**Meter Number (In Field)** **Field Meter Read**

**Estimated Water Loss**

**File Attachment** 8007 Bayview manhole (1).JPG

**File Attachment 2** 8007 Bayview manhole (2).JPG

**File Attachment 3**

**After Repair**

**Related Client Job** 100

## - Invoicing

---

**# of Purchase orders** **# of Purchase orders RTI**







**ALVIN CONTRACTING**

P O BOX 2088  
ALVIN, TX 77512-2088

Office: 281-331-3618  
Email: [alvincontracting@yahoo.com](mailto:alvincontracting@yahoo.com)

JANUARY 4, 2016

QUOTE NO. 16-004

GULF UTILTY  
ATTN: KARL  
EMAIL: [karl@gulfutility.net](mailto:karl@gulfutility.net)

RE: BAYRIDGE WWTP

ALVIN CONTRACTING PROPOSES THE FOLLOWING:

**ITEM 1**

REPLACE WALL BETWEEN CHLORINE CONTACT CHAMBER AND DIGESTER

**ITEM 2**

REPLACE LAUNDRY TROUGH AND BRACKETS

BYPASS – PUMP WATER TO LOWER WATER LEVELS

**TOTAL FOR ITEM 1 AND ITEM 2.....\$19,716.00**

THANK YOU FOR THE OPPORTUNITY TO QUOTE THIS JOB FOR YOU.

THE PRICE QUOTED IS GOOD FOR 30 DAYS

WHEN ACCEPTING OUR QUOTE, PLEASE EMAIL OUR OFFICE, REFERENCE OUR QUOTE NUMBER AND EMAIL YOUR PURCHASE ORDER NUMBER. THANK YOU.

REGARDS,

**MARSHALL I. KUS**  
281-620-2721

ATTACHMENT A-2

TCEQ INFORMATION

GREENS BAYOU FABRICATION YARD FACILITY

**Part F: TCEQ Public Water System or Sewer (Wastewater) Information**

**Complete Part F for EACH Public Water or Sewer system to be transferred subject to approval of the transaction. Attach a separate sheet with this information if you need more space for additional systems being transferred.**

22. A. For Public Water System (PWS):

TCEQ PWS Identification Number: \_\_\_\_\_ (7 digit ID)

Name of PWS: \_\_\_\_\_

Date of last TCEQ compliance inspection: \_\_\_\_\_ (attach TCEQ letter)

Subdivisions served: \_\_\_\_\_

B. For Sewer service:

TCEQ Water Quality (WQ) Discharge Permit Number: WQ 0003792-001 (8 digit ID)

Name of Wastewater Facility: Greens Bayou Fabrication Yard Facility

Name of Permittee: Nerro Supply, LLC

Date of last TCEQ compliance inspection: 09/24/2015 (attach TCEQ letter)

Subdivisions served: Greens Bayou Fabrication Yard

Date of application to transfer permit submitted to TCEQ: \_\_\_\_\_

23. List the number of *existing* connections, by meter/connection type, to be affected by the proposed transaction:

Water			Sewer	
Non-metered		2"	148	Residential
5/8" or 3/4"		3"		Commercial
1"		4"		Industrial
1 1/2"		Other		Other
Total Water Connections:			Total Sewer Connections:	148

24. A. Are any improvements required to meet TCEQ or Commission standards?

No  Yes

B. Provide details on each required major capital improvement necessary to correct deficiencies to meet the TCEQ or Commission standards (attach any engineering reports or TCEQ approval letters):

Description of the Capital Improvement:	Estimated Completion Date:	Estimated Cost:

C. Is there a moratorium on new connections?

No  Yes:

25. Does the system being transferred operate within the corporate boundaries of a municipality?

No  Yes: \_\_\_\_\_ (name of municipality)

If yes, indicate the number of customers within the municipal boundary.

Water: \_\_\_\_\_ Sewer: \_\_\_\_\_

26. A. Does the system being transferred purchase water or sewer treatment capacity from another source?

No  Yes: If yes, attach a copy of purchase agreement or contract.

Capacity is purchased from: \_\_\_\_\_

Water: \_\_\_\_\_

Sewer: \_\_\_\_\_

B. Is the PWS required to purchase water to meet capacity requirements or drinking water standards?

No  Yes

C. What is the amount of water supply or sewer treatment purchased, per the agreement or contract? What is the percent of overall demand supplied by purchased water or sewer treatment (if any)?

	Amount in Gallons	Percent of demand
Water:		0.00%
Sewer:		0.00%

D. Will the purchase agreement or contract be transferred to the Transferee?

No  Yes:

27. Does the PWS or sewer treatment plant have adequate capacity to meet the current and projected demands in the requested area?

No  Yes:

28. List the name, class, and TCEQ license number of the operator that will be responsible for the operations of the water or sewer utility service:

Name (as it appears on license)	Class	License No.	Water or Sewer

**Part G: Mapping & Affidavits**

**ALL applications require mapping information to be filed in conjunction with the STM application.**

***Read question 29 A and B to determine what information is required for your application.***

29. A. For applications requesting to transfer an entire CCN, without a CCN boundary adjustment, provide the following mapping information with each of the seven (7) copies of the application:

1. A general location (small scale) map identifying the requested area in reference to the nearest county boundary, city, or town. The following guidance should be adhered to:

i. If the application requests to transfer certificated service areas for both water and sewer, separate maps must be provided for each.

ii. A hand drawn map, graphic, or diagram of the requested area is not considered an acceptable mapping document.

## TCEQ EXIT INTERVIEW FORM: Potential Violations and/or Records Requested

Regulated Entity/Site Name		New Supply, LLC		TCEQ Add. ID No. RN No. (optional)	03792-000
Investigation Type	CCI	Contact Made In-House (Y/N)	Y	Purpose of Investigation	Compliance
Regulated Entity Contact	Karl Skarboszewski		Telephone No.	281-355-1312	Date Contacted
Title	General Manager		Fax No.	ext. 241	Date Faxed

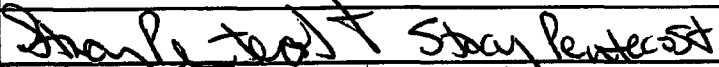
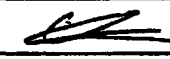
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Issue		For Records Request: identify the necessary records, the company contact and date due to the agency. For Alleged and Potential Violation issues: include the rule in question with the clearly described potential problem. Other type of issues: fully describe.	
No.	Type <sup>1</sup>	Rule Citation (if known)	Description of Issue
1.)	RR		Submit a copy of the sampling report required in other request No. 9, + Attachment A.
2.)	Additional Issue		Numerous Enterococci violations - enforce + order
3.)	P.V.		Submit copies of the noncompliance notifications for oilwells

<sup>1</sup> Issue Type Can Be One or More of: AV (Alleged Violation), PV (Potential Violation), O (Other), or RR (Records Request)

Did the TCEQ document the regulated entity named above operating without proper authorization?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Did the investigator advise the regulated entity representative that continued operation is not authorized?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Document Acknowledgment.** Signature on this document establishes only that the regulated entity (company) representative received a copy of this document and associated continuation pages on the date noted. If contact was made by telephone, document will be faxed to regulated entity; therefore, signature not required.

 Stacy Pentecost	09-24-15	 Karl Skarboszewski	9/24/15
Investigator Name (Signed & Printed)	Date	Regulated Entity Representative Name (Signed & Printed)	Date

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PO Box 691008 | Houston, TX 77629  
Phone (281) 355-1312 | Fax (281) 355-1312

10/7/2015

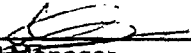
Re: Peeco Plant KBR  
Investigation Date 09/24/2015

Ms. Pentecost,

In response to the issues listed on the Exit Interview provided after the completion of the investigation we have the following response:

1. Submit a copy of sampling required-Other Requirement No. 9-Attachement A. (complete report attached)
2. Submit copies of Non Compliance Notifications for Jan 2015. (reports attached)

Sincerley,  
Karl Skarboszewski

  
\_\_\_\_\_  
Date 10-16-15  
General Manager  
[karl@gulfutility.net](mailto:karl@gulfutility.net)  
832-497-1253







# Water Quality Noncompliance Notification

\*See back of Form for Guidance for Completion\*

Unauthorized Discharge       Reportable Effluent Violation       Other

## General Information

Entity Name: KBR-Peeco Sewage Treatment Plant      Telephone No: (281) 355 - 1312

Permittee       Subscriber

TCEQ Region: 12      County: Harris      \*Permit Number: WQ0003792000

## Noncompliance Summary

Description of Noncompliance (include location, discharge route, and estimated volume of unauthorized discharge):  
We are reporting the following:

1. On 1/7/2015 we are reporting a PH value of 5.2 on 6.0 permitted limit
2. On 1/14/2015 we are reporting a PH value of 5.7 on a 6.0 permitted limit
3. On 1/23 we are reporting a PH value of 5.5 on a 6.0 permitted limit.
4. For the month of 01/2015 we are reporting a TSS daily avrg of 24.9 mg/l on a permitted value of 15 mg/l
5. For the month of 01/2015 we are reporting a Silver daily avrg of 0.013 mg/l on a permitted value of 0.0151 mg/l
6. For the month of 1/2015 we are reporting a Enterococci daily average of 76.8 mg/l on a permitted value of 35mg/l

Cause of Noncompliance: During the month of January 2014, the plant experienced problems with internal transfer line in the aeration chambers, causing an upset condition. The plants aeration zones are not visible due to the design of the plant.

Duration:      Start Date and Time:      Or      Date Expected to be Corrected:  
End Date and Time:

Potential Danger to Human Health and Safety or the Environment: No

## Actions Taken

Monitoring Data: Data should be attached or submitted to TCEQ when available.

Yes     No    Field Measurements  
 Yes     No    Laboratory Samples  
 Yes     No    Fish Kill    If yes, estimated number killed:

Actions Taken to Mitigate Adverse Effects:

Actions Taken to Correct the Problem and Prevent Recurrence: In February, we removed all material from one side of the plant and repaired damaged sludge transfer lines and performed a sludge haul.

## Verification Information

Information Reported By (Name/Title): Carl Skowhessjewski

Date Reported: 2/6/14      Signature: [Signature]



# Chaparral Laboratories, Inc.



T104704204-07-TX

861 State Hwy 19 P.O. Box 1622 Huntsville, TX 77342-1622 www.chaparrallabs.com Phone: 936-291-1881 Fax: 936-295-1731

## Certificate of Analysis

Gulf Utility Service, Inc.  
Attn: Charlie Gasper  
P.O. Box 1629  
Spring, TX 77383

Customer ID: GULF  
Sample ID: 13011176  
Date Received: 01/31/2013  
Date Reported: 02/26/2013

Project: Peeco Plant  
Location: Harris County, TX

## Analytical Results

Collection Point: Effluent	Date/Time Collected: 01/31/2013 12:14
Sample Type: Grab	Flow (MGD): 0.031
	Collector: CRH

Parameter	Result	Units	Date/Time	Analyst	Bottle	Method	QC ID	Acrd
BOD5	6.2	mg/L	02/01/2013 07:35	JCG	-01	SM 5210 B	QC1302070	NELAC
CBOD5	3.7	mg/L	02/01/2013 07:35	JCG	-01	SM 5210 B	QC1302081	NELAC
TSS	30.0	mg/L	02/01/2013 08:30	BAM	-02	SM 2540 D	QC1302045	NELAC
Ammonia Nitrogen	9.1	mg/L	02/01/2013 12:30	KMC	-03	SM 4500-NH3 D	QC1302024	NELAC
Total Kjeldahl Nitrogen	9.5	mg/L	02/01/2013 08:00	KMC	-03	SM 4500-NH3 C	QC1302027	NELAC
Total Organic Nitrogen	0.4	mg/L	02/22/2013 11:28	DHV	-03	Calculation	QC1302373	
Nitrate+Nitrite Nitrogen	19.6	mg/L	02/11/2013 08:39	TLP	-04	SM 4500-NO3 E	QC1302167	NELAC
Total Phosphorus	4.5	mg/L	02/05/2013 07:25	JCG	-04	SM 4500-P E	QC1302067	NELAC
Chemical Oxygen Demand	62.6	mg/L	02/04/2013 08:32	BAM	-05	SM 5220 D	QC1302042	NELAC
Chloride	68.0	mg/L	02/05/2013 13:45	BAM	-06	SM 4500-Cl B	QC1302064	NELAC
Sulfate	85.9	mg/L	02/06/2013 09:08	TLP	-06	ASTM D516-02	QC1302090	NELAC
Total Dissolved Solids	488.0	mg/L	02/04/2013 15:31	TLP	-06	SM 2540 C	QC1302069	NELAC
HEM (O&G)	<5.3	mg/L	02/04/2013 09:02	TLP	-07	EPA 1664 A	QC1302065	NELAC
Chlorine, Residual (Total)	3.7	mg/L	01/31/2013 12:17	CRH	-08	SM 4500-Cl F	QC1302005	Field
Dissolved Oxygen	8.4	mg/L	01/31/2013 12:17	CRH	-08	SM 4500-O G	QC1302006	Field
pH	6.6	SU	01/31/2013 12:17	CRH	-08	SM 4500-H+B	QC1302007	Field
Temperature	64.5	°F	01/31/2013 12:17	CRH	-08	SM 2550 B	QC1302015	Field
Chromium (Tri)	<10.0	ug/L	02/22/2013 11:30	DHV	-09	Calculation	QC1302372	
Hexavalent Chromium	<10.0	ug/L	02/01/2013 07:59	TLP	-09	SM 3500-Cr B	QC1302009	NELAC
Copper	12.1	ug/L	02/11/2013 20:02	SA	-10	EPA 6020	QC1302195	NELAC
Mercury	<0.2	ug/L	02/12/2013 16:28	SA	-10	EPA 7470	QC1302244	NELAC
Silver	2.5	ug/L	02/11/2013 20:02	SA	-10	EPA 6020	QC1302196	NELAC
Zinc	151.0	ug/L	02/11/2013 20:02	SA	-10	EPA 6020	QC1302243	NELAC
Aluminum	137.0	ug/L	02/11/2013 08:15	SA	-11	EPA 6020	QC1302250	NELAC
Antimony	<30.0	ug/L	02/11/2013 08:15	SA	-11	EPA 6020	QC1302251	NELAC
Arsenic	<10.0	ug/L	02/11/2013 08:15	SA	-11	EPA 6020	QC1302252	NELAC
Barium	116.0	ug/L	02/11/2013 08:15	SA	-11	EPA 6020	QC1302253	NELAC
Beryllium	<5.0	ug/L	02/13/2013 12:33	SA	-11	EPA 6020	QC1302254	NELAC
Cadmium	<1.0	ug/L	02/11/2013 08:15	SA	-11	EPA 6020	QC1302255	NELAC

Tuesday, February 26, 2013

Certificate of Analysis Page 1 of 9



# Chaparral Laboratories, Inc.



T104704204-07-TX

861 State Hwy 19 P.O. Box 1622 Huntsville, TX 77342-1622 www.chaparrallabs.com Phone. 936-291-1881 Fax: 936-295-1731

## Certificate of Analysis

Gulf Utility Service, Inc.  
Attn: Charlie Gasper  
P.O. Box 1629  
Spring, TX 77383

Customer ID: GULF  
Sample ID: 13011176  
Date Received: 01/31/2013  
Date Reported: 02/26/2013

Project: Peeco Plant  
Location: Harris County, TX

## Analytical Results

Collection Point: Effluent	Date/Time Collected: 01/31/2013 12:14
Sample Type: Grab	Flow (MGD): 0.031
	Collector: CRH

Parameter	Result	Units	Date/Time	Analyst	Bottle	Method	QC ID	Acrd
BOD5	6.2	mg/L	02/01/2013 07:35	JCG	-01	SM 5210 B	QC1302070	NELAC
CBOD5	3.7	mg/L	02/01/2013 07:35	JCG	-01	SM 5210 B	QC1302081	NELAC
TSS	30.0	mg/L	02/01/2013 08:30	BAM	-02	SM 2540 D	QC1302045	NELAC
Ammonia Nitrogen	9.1	mg/L	02/01/2013 12:30	KMC	-03	SM 4500-NH3 D	QC1302024	NELAC
Total Kjeldahl Nitrogen	9.5	mg/L	02/01/2013 08:00	KMC	-03	SM 4500-NH3 C	QC1302027	NELAC
Total Organic Nitrogen	0.4	mg/L	02/22/2013 11:28	DHV	-03	Calculation	QC1302373	
Nitrate+Nitrite Nitrogen	19.6	mg/L	02/11/2013 08:39	TLP	-04	SM 4500-NO3 E	QC1302167	NELAC
Total Phosphorus	4.5	mg/L	02/05/2013 07:25	JCG	-04	SM 4500-P E	QC1302067	NELAC
Chemical Oxygen Demand	62.6	mg/L	02/04/2013 08:32	BAM	-05	SM 5220 D	QC1302042	NELAC
Chloride	68.0	mg/L	02/05/2013 13:45	BAM	-06	SM 4500-Cl B	QC1302064	NELAC
Sulfate	85.9	mg/L	02/06/2013 09:08	TLP	-06	ASTM D516-02	QC1302090	NELAC
Total Dissolved Solids	488.0	mg/L	02/04/2013 15:31	TLP	-06	SM 2540 C	QC1302069	NELAC
HEM (O&G)	<5.3	mg/L	02/04/2013 09:02	TLP	-07	EPA 1664 A	QC1302065	NELAC
Chlorine, Residual (Total)	3.7	mg/L	01/31/2013 12:17	CRH	-08	SM 4500-Cl F	QC1302005	Field
Dissolved Oxygen	8.4	mg/L	01/31/2013 12:17	CRH	-08	SM 4500-O G	QC1302006	Field
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Chromium (Tri)	<10.0	ug/L	02/22/2013 11:30	DHV	-09	Calculation	QC1302372	
Hexavalent Chromium	<10.0	ug/L	02/01/2013 07:59	TLP	-09	SM 3500-Cr B	QC1302009	NELAC
Copper	12.1	ug/L	02/11/2013 20:02	SA	-10	EPA 6020	QC1302195	NELAC
Mercury	<0.2	ug/L	02/12/2013 16:28	SA	-10	EPA 7470	QC1302244	NELAC
Silver	2.5	ug/L	02/11/2013 20:02	SA	-10	EPA 6020	QC1302196	NELAC
Zinc	151.0	ug/L	02/11/2013 20:02	SA	-10	EPA 6020	QC1302243	NELAC
Aluminum	137.0	ug/L	02/11/2013 08:15	SA	-11	EPA 6020	QC1302250	NELAC
Antimony	<30.0	ug/L	02/11/2013 08:15	SA	-11	EPA 6020	QC1302251	NELAC
Arsenic	<10.0	ug/L	02/11/2013 08:15	SA	-11	EPA 6020	QC1302252	NELAC
Barium	116.0	ug/L	02/11/2013 08:15	SA	-11	EPA 6020	QC1302253	NELAC
Beryllium	<5.0	ug/L	02/13/2013 12:33	SA	-11	EPA 6020	QC1302254	NELAC
Cadmium	<1.0	ug/L	02/11/2013 08:15	SA	-11	EPA 6020	QC1302255	NELAC

ATTACHMENT A-3

TCEQ INFORMATION

WILDWOOD SHORES WASTEWATER TREATMENT FACILITY

**Part F: TCEQ Public Water System or Sewer (Wastewater) Information**

Complete Part F for EACH Public Water or Sewer system to be transferred subject to approval of the transaction. Attach a separate sheet with this information if you need more space for additional systems being transferred.

22. A. For Public Water System (PWS):

TCEQ PWS Identification Number: \_\_\_\_\_ (7 digit ID)

Name of PWS: \_\_\_\_\_

Date of last TCEQ compliance inspection: \_\_\_\_\_ (attach TCEQ letter)

Subdivisions served: \_\_\_\_\_

B. For Sewer service:

TCEQ Water Quality (WQ) Discharge Permit Number: WQ 0014154-001 (8 digit ID)

Name of Wastewater Facility: Wildwood Shores Wastewater Treatment Facility

Name of Permittee: Nerro Supply, LLC

Date of last TCEQ compliance inspection: 10/27/2017 (attach TCEQ letter)

Subdivisions served: Wildwood Shores

Date of application to transfer permit submitted to TCEQ: \_\_\_\_\_

23. List the number of *existing* connections, by meter/connection type, to be affected by the proposed transaction:

Water			Sewer		
	Non-metered		2"	130	Residential
	5/8" or 3/4"		3"		Commercial
	1"		4"		Industrial
	1 1/2"		Other		Other
Total Water Connections:			Total Sewer Connections: 130		

24. A. Are any improvements required to meet TCEQ or Commission standards?

No  Yes

B. Provide details on each required major capital improvement necessary to correct deficiencies to meet the TCEQ or Commission standards (attach any engineering reports or TCEQ approval letters):

Description of the Capital Improvement:	Estimated Completion Date:	Estimated Cost:

C. Is there a moratorium on new connections?

No  Yes:

25. Does the system being transferred operate within the corporate boundaries of a municipality?

No  Yes: \_\_\_\_\_ (name of municipality)

If yes, indicate the number of customers within the municipal boundary.

Water: \_\_\_\_\_ Sewer: \_\_\_\_\_

26. A. Does the system being transferred purchase water or sewer treatment capacity from another source?  
 No  Yes: If yes, attach a copy of purchase agreement or contract.

Capacity is purchased from: \_\_\_\_\_

Water: \_\_\_\_\_

Sewer: \_\_\_\_\_

B. Is the PWS required to purchase water to meet capacity requirements or drinking water standards?  
 No  Yes

C. What is the amount of water supply or sewer treatment purchased, per the agreement or contract? What is the percent of overall demand supplied by purchased water or sewer treatment (if any)?

	Amount in Gallons	Percent of demand
Water:		0.00%
Sewer:		0.00%

D. Will the purchase agreement or contract be transferred to the Transferee?  
 No  Yes:

27. Does the PWS or sewer treatment plant have adequate capacity to meet the current and projected demands in the requested area?

No  Yes:

28. List the name, class, and TCEQ license number of the operator that will be responsible for the operations of the water or sewer utility service:

Name (as it appears on license)	Class	License No.	Water or Sewer

**Part G: Mapping & Affidavits**

**ALL applications require mapping information to be filed in conjunction with the STM application.**  
*Read question 29 A and B to determine what information is required for your application.*

29. A. For applications requesting to transfer an entire CCN, without a CCN boundary adjustment, provide the following mapping information with each of the seven (7) copies of the application:

1. A general location (small scale) map identifying the requested area in reference to the nearest county boundary, city, or town. The following guidance should be adhered to:
  - i. If the application requests to transfer certificated service areas for both water and sewer, separate maps must be provided for each.
  - ii. A hand drawn map, graphic, or diagram of the requested area is not considered an acceptable mapping document.

Bryan W. Shaw, Ph.D., P.E., *Chairman*  
Toby Baker, *Commissioner*  
Jon Niermann, *Commissioner*  
Richard A. Hyde, P.E., *Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

November 7, 2017

**CERTIFIED MAIL 7013 3020 0000 9763 9839  
RETURN RECEIPT REQUESTED**

Gulf Utility Service, Inc.  
Attn: Gregory Pappas  
P.O. Box 691008  
Houston, Texas 77269

Re: Notice of Compliance with Notice of Violation (NOV) dated *September 30, 2014*:  
Nerro Supply, LLC Wildwood Shores Wastewater Treatment Facility, Walker County,  
Texas  
RN 102334299, TCEQ Additional ID: WQ0014154001, Investigation No. 1186916,  
Final Investigation No. 1443078

Dear Mr. Pappas:

This letter is to inform you that the Texas Commission on Environmental Quality (TCEQ) Houston Regional Office has received adequate compliance documentation on September 27, 2017, to resolve alleged violations documented during the investigation of the above-referenced regulated entity conducted on August 15, 2012. Based on the information submitted, no further action is required concerning this investigation.

The Texas Commission on Environmental Quality appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions, please feel free to contact Mr. Gary Ackerman at the Houston Regional Office at (713) 767-3577.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Rocha", written over a horizontal line.

Karina Rocha, Team Leader  
Water Quality  
Houston Region 12 Houston  
Texas Commission on Environmental Quality

KR/GA/es

Enclosure: Summary of Investigation Findings

## Summary of Investigation Findings

HUI ENTERPRISES	Investigation # 1443078
, WALKER COUNTY,	Investigation Date: 10/04/2017
Additional ID(s): WQ0014154001 TX0122181	

### ALLEGED VIOLATION(S) NOTED AND RESOLVED

---

Track No: 544551

30 TAC Chapter 305.125(1)

30 TAC Chapter 319.7(d)

PERMIT WQ0014154001, Monitoring and Reporting Requirements

No. 1

**Alleged Violation:**

Investigation: 1186916

Comment Date: 09/24/2014

Failed to provide monitoring results at the intervals specified in the permit. Specifically, during the 18 month review period, the discharge monitoring reports (DMRs) for the monitoring periods ending 11/30/2013, 1/31/2014, and 03/31/2014 were missing the values for flow and total residual chlorine. In addition, the DMR for the monitoring period ending 11/30/2013 was submitted 3 months late (on 02/20/2014). The Sludge DMR for the monitoring period ending on 07/31/2013 was also submitted late (02/10/2014).

Investigation: 1443078

Comment Date: 10/09/2017

A follow-up investigation was conducted on October 4, 2017 to determine the compliance status of the alleged violation.

**Recommended Corrective Action:** DMRs must be submitted by the 20th day of the month following the monitoring period. Submit the corrected DMRs for the monitoring periods ending on 11/30/2013, 01/31/2014 and 03/31/2014 to the Region 12 Office and the Enforcement Division (MC 224). Also, Submit documentation indicating that the DMRs are now being submitted on time.

**Resolution:** This alleged violation was resolved on September 17, 2017, based on documentation submitted to the TCEQ Houston Region Office which indicated that the DMRs with the missing information were re-submitted and DMRs submitted since have been timely.

---

Track No: 547147

30 TAC Chapter 305.125(5)

**Alleged Violation:**

Investigation: 1186916

Comment Date: 09/24/2014

Failed to properly maintain the facility. Specifically, the rubber on the clarifier skimmer arm was missing.

Investigation: 1443078

Comment Date: 10/09/2017

A follow-up investigation was conducted on October 4, 2017 to determine the compliance status of the alleged violation.

**Recommended Corrective Action:** Submit documentation showing that the rubber has been replaced on the clarifier skimmer arm.

**Resolution:** This alleged violation was resolved on November 14, 2014, based on documentation submitted to the TCEQ Houston Region Office which indicated that the rubber on the skimmer arm was replaced.

---

Track No: 548266



A follow-up investigation was conducted on October 4, 2017 to determine the compliance status of the alleged violation.

**Recommended Corrective Action:** Submit documentation indicating that the corroded aeration diffuser valves and the RAS valve have been repaired or replaced.

**Withdrawal Comments:** This alleged violation was withdrawn, based on an explanation provided by Wildwood Shores which indicated that the valve handles were operable by use of a pipe wrench or other tool.

ATTACHMENT B -1  
FINANCIAL INFORMATION  
CONFIDENTIAL

# CONFIDENTIAL

**DOCKET NO.:** 49382

**STYLE:** APPLICATION OF NERRO SUPPLY, LLC AND UNDINE TEXAS ENVIRONMENTAL, LLC FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN CHAMBERS, HARRIS AND WALKER COUNTIES

**SUBMITTING PARTY:** Undine Texas Environmental, LLC

**BRIEF DESCRIPTION OF CONTENTS:** Exhibit B-1 – Financial Information

**BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE:** 34 TO 35

**ENVELOPE #:** 1 OF 1

**ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER:**

---

**DATE SUBMITTED TO COMMISSION:** June 19, 2019

ATTACHMENT B -2  
FINANCIAL INFORMATION  
CONFIDENTIAL

# CONFIDENTIAL

**DOCKET NO.:** 49382

**STYLE:** APPLICATION OF NERRO SUPPLY, LLC AND UNDINE TEXAS ENVIRONMENTAL, LLC FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN CHAMBERS, HARRIS AND WALKER COUNTIES

**SUBMITTING PARTY:** Undine Texas Environmental, LLC

**BRIEF DESCRIPTION OF CONTENTS:** Exhibit B-2 – Financial Information

**BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE:** 37 TO 38

**ENVELOPE #:** 1 OF 1

**ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER:**

---

**DATE SUBMITTED TO COMMISSION:** June 19, 2019

ATTACHMENT B-3

LIST OF ASSETS FOR EACH SYSTEM

CONFIDENTIAL

# CONFIDENTIAL

**DOCKET NO.:** 49382

**STYLE:** APPLICATION OF NERRO SUPPLY, LLC AND UNDINE TEXAS ENVIRONMENTAL, LLC FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN CHAMBERS, HARRIS AND WALKER COUNTIES

**SUBMITTING PARTY:** Undine Texas Environmental, LLC

**BRIEF DESCRIPTION OF CONTENTS:** Exhibit B-3 – List of Assets for Each System

**BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE:** 40 TO 40

**ENVELOPE #:** 1 OF 1

**ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER:**

---

**DATE SUBMITTED TO COMMISSION:** June 19, 2019

ATTACHMENT B - 4  
FINANCIAL INFORMATION  
CONFIDENTIAL



# CONFIDENTIAL

**DOCKET NO.:** 49382

**STYLE:** APPLICATION OF NERRO SUPPLY, LLC AND UNDINE TEXAS ENVIRONMENTAL, LLC FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN CHAMBERS, HARRIS AND WALKER COUNTIES

**SUBMITTING PARTY:** Undine Texas Environmental, LLC

**BRIEF DESCRIPTION OF CONTENTS:** Exhibit B-4 – Financial Information

**BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE:** 42 TO 43

**ENVELOPE #:** 1 OF 1

**ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER:**

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**DATE SUBMITTED TO COMMISSION:** June 19, 2019

ATTACHMENT B-5

CURRENT FINANCIAL STATEMENTS

CONFIDENTIAL

# CONFIDENTIAL

**DOCKET NO.:** 49382

**STYLE:** APPLICATION OF NERRO SUPPLY, LLC AND UNDINE TEXAS ENVIRONMENTAL, LLC FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN CHAMBERS, HARRIS AND WALKER COUNTIES

**SUBMITTING PARTY:** Undine Texas Environmental, LLC

**BRIEF DESCRIPTION OF CONTENTS:** Exhibit B-5 – Current Financial Statements

**BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE:** 45 TO 45

**ENVELOPE #:** 1 OF 1

**ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER:**

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**DATE SUBMITTED TO COMMISSION:** June 19, 2019

ATTACHMENT C  
NOTICE DOCUMENTATION

**Notice Description (old format which PUC mapping prefers):**

**Bayridge Sewer Treatment Plant (Bayridge Subd & Oaks at Houston Point) – WQ0013643-001 – Chambers County**

The two proposed utility service areas are located approximately 5.8 miles southwest of downtown Beach City, TX, and is generally bounded on the north by Tri City Beach Road; on the east by Jordan Road; on the south by Trinity Bay; and on the west by Cedar Point Road.

The total are being requested includes approximately 143 acres and 116 current customers.

**Greens Bayou Fabrication Yard – WQ0003792-000 – Harris County**

The proposed utility service area is located approximately 3.4 miles east/northeast of downtown Galena Park, TX, and is generally bounded on the north and east by Greens Bayou; on the south by Buffalo Bayou; and on the west by Industrial Road.

The total are being requested includes approximately 254 acres and 148 current customers.

**HUI Enterprises, Inc. (Wildwood Shores WWTP) – WQ0014154-001 – Walker County**

The proposed utility service area is located approximately 7.3 miles west of downtown New Waverly, TX, and is generally bounded on the north by .64 mile south of Pipkin Road; on the east by Forest Service Road 222; on the south and west by Lake Paula (Reservoir at Lake Conroe).

The total are being requested includes approximately 240 acres and 130 current customers.