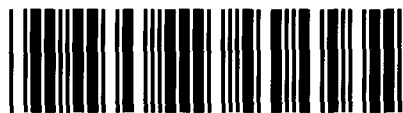




Control Number: 49931



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Addendum StartPage: 0

DOCKET NO. 49931

APPLICATION OF COMMUNITY
WATER SERVICE, INC. AND
PATTERSON WATER SUPPLY, LLC
FOR SALE, TRANSFER, OR MERGER
OF FACILITIES AND CERTIFICATE
RIGHTS IN DALLAS AND DENTON
COUNTIES

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. Staff recommends that the application be deemed administratively complete. In support thereof, Staff shows the following:

I. BACKGROUND

On September 4, 2019, Community Water Service, Inc. (Community) and Patterson Water Supply, LLC (Patterson) (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of water facilities and certificate rights in Dallas and Denton counties. Specifically, the Applicants seek to transfer all of Community's water service area and associated facilities to Patterson's water service area under Certificate of Convenience and Necessity (CCN) No. 13248 and to cancel Community's water CCN No. 10091. The requested transfer area includes approximately 335 acres and 344 connections. On November 18, 2019, Applicants filed a supplement to their application in response to Order No. 1.

On October 7, 2019, Order No. 2 was issued establishing a deadline of December 4, 2019, for Staff to file a supplemental recommendation on the administrative completeness of the application 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 Patricia Garcia in the Commission's Infrastructure 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 Patricia Garcia using the form of notice and affidavit prepared by Staff.

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	January 4, 2020
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.

Dated: December 4, 2019

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Rachelle Nicolette Robles
Managing Attorney

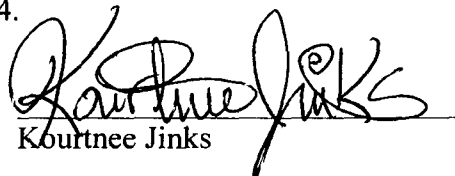
A handwritten signature in black ink, appearing to read "Kourtnee Jinks", written over a horizontal line.

Kourtnee Jinks
State Bar No. 24097146
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7265
(512) 936-7268 (facsimile)
kourtnee.jinks@puc.texas.gov

DOCKET NO. 49931

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on December 4, 2019, in accordance with 16 TAC § 22.74.

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

PUC Interoffice Memorandum

To: Kourtnee Jinks, Attorney
Legal Division

Thru: Heidi Graham, Manager
Infrastructure Division

From: Patricia Garcia, Engineering Specialist
Infrastructure Division

Date: December 2, 2019

Subject: **Docket No. 49931**, *Application of Community Water Service, Inc. and Patterson Water Supply, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Dallas and Denton Counties*

On September 4, 2019, Patterson Water Supply, LLC (Patterson) and Community Water Service, Inc. (Community Water) (collectively, Applicants) filed an application for Sale, Transfer, or Merger (STM) of facilities and certificate rights in Dallas and Denton Counties, Texas, pursuant to Texas Water Code (TWC) § 13.301 and 16 Texas Administrative Code (TAC) § 24.239.

Specifically, Patterson, Certificate of Convenience and Necessity (CCN) No. 13248, seeks approval to acquire facilities and to transfer all of Community Water's service area under water CCN No. 10091. The requested area includes approximately 335 acres and 344 connections.

A Staff review of the additional information filed by Patterson on November 18, 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 that 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;
 - 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 correct notice of the application to the following entities:
 - Aqua Texas Inc. (CCN No. 13201)
 - City of Lakewood Village (CCN No. 10201)
 - City of Lancaster (CCN No. 10098)
 - Community Water Service, Inc. (CCN No. 10091)
 - Lake Cities MUA (CCN No. 10166)
 - Mustang SUD (CCN No. 11856)
 - Terra Southwest Inc. (CCN No. 11608)
 - Town of Little Elm (CCN No. 11202)

- Lake Cities Municipal Utility Authority
- Oak Point WCID 2
- Trinity River Authority of Texas
- Upper Trinity Regional Water District
- North Texas Groundwater Conservation District
- City of Dallas
- City of DeSoto
- Lake Dallas
- Oak Point
- The Colony
- Town of Hickory Creek
- Town of Lakewood Village
- Town of Shady Shores
- Dallas County Judge
- Denton County Judge

- 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 Applicants from the TCEQ 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 and the date that the notice was provided. It is recommended that the Applicants use the attached notice and affidavit to meet these requirements.

Notice to Current Customers, Neighboring Systems, and Cities
PATTERSON WATER SUPPLY, LLC, CERTIFICATE OF CONVENIENCE AND
NECESSITY (CCN) NO. 13248, NOTICE OF INTENT TO PURCHASE WATER
FACILITIES AND TO TRANSFER WATER SERVICE AREA UNDER CCN NO. 10091
FROM COMMUNITY WATER SERVICE, INC. IN DALLAS AND DENTON COUNTIES,
TEXAS

To: _____ Date Notice Mailed: _____, 20____
(Name of Customer, Neighboring System, or City)

(Address)

(City State Zip)

Patterson Water Supply, LLC	P.O. Box 910	Collinsville, TX	76233
(Purchaser's Name)	(Address)	(City), (State)	(Zip Code)

has submitted an application with the Public Utility Commission of Texas (Commission) to purchase Community Water Service, Inc.'s water facilities and to transfer water certificated service area under CCN No. 10091 in Dallas and Denton Counties, TX from:

Community Water Service, Inc.	P.O. Box 850155	Mesquite, TX	75185
(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:
Danieldale and Rocky Point Community.

Dallas County - Danieldale

The requested area is located approximately 4.5 miles northwest of downtown Lancaster, TX, and is generally bounded on the north by West Danieldale Road; on the east by Interstate Highway 35; on the south by West Wintergreen Road; and on the west by Connor Street.
The requested area includes approximately 276 total acres and 119 current customers.

Denton County – Rocky Point Community

The requested area is located approximately 0.8 miles southwest of downtown Lakewood Village, TX, and is generally bounded on the north by Easy Street; on the east by Garza Lane; on the south by Sheriff Avenue; and on the west by Lake Lewisville. The requested area includes approximately 59 total acres and 225 current customers.

The total requested area includes approximately 335 total acres and 344 current customers.

A copy of the map showing the requested area is available at: 9963 US Hwy 377,
Collinsville, TX 76233

This transaction will have the following effect on the current customers' rates and services:

This transaction will not have an effect on the current customer's rates and services. After this application is finalized the new provider will submit a rate request to change the customer's rates. The customers will receive notice of the proposed rate change prior to any changes.

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.

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. 49931

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 _____