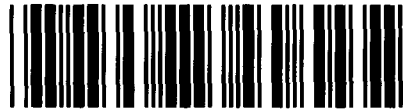


Control Number: 50057



Item Number: 4

Addendum StartPage: 0

RECEIVED

APPLICATION OF MOUNTAIN RIVER §
WATER COMPANY AND RJR WATER §
COMPANY, INC. FOR SALE, §
TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN PARKER AND PALO §
PINTO COUNTIES §

PUBLIC UTILITY COMMISSION
OF TEXAS

2019 OCT 23 PM 1:28

FILED IN PUBLIC UTILITY DIVISION
COURT CLERK

**COMMISSION STAFF'S RECOMMENDATION
ON ADMINISTRATIVE COMPLETENESS**

COMES NOW the Staff of the Public Utility Commission of Texas (Commission), representing the public interest, and in response to Order No. 1, files this Recommendation on Administrative Completeness. Staff recommends that the application be deemed insufficient for further review. In support thereof, Staff shows the following:

I. BACKGROUND

On September 27, 2019, Mountain River Water Company (Mountain River) and RJR Water Company, Inc. (RJR), (collectively, Applicants), filed an application for the sale, transfer, or merger of facilities and certificate rights in Parker and Palo Pinto Counties. RJR Water seeks to acquire Mountain River's public water system and water service area held under water certificate of convenience and necessity (CCN) No. 12139. The requested area includes approximately 345 acres and 132 connections. Applicants filed supplemental information on October 14, 2019.

On October 1, 2019, Order No. 1 was issued establishing a deadline of October 28, 2019, 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 Gregory Charles in the Commission's Infrastructure Division, Staff has reviewed the application and recommends that the application be found administratively complete. Staff further recommends that Applicants submit additional information addressing the issues detailed in the attached memorandum.

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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 Gregory Charles.

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 proof of notice with the Commission	November 26, 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 discussed above, Staff respectfully recommends that the application be found administratively incomplete. Staff further recommends that the procedural schedule proposed above be adopted for further processing of this docket.

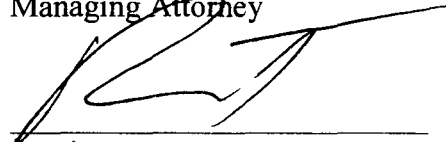
Dated: October 28, 2019

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Karen S. Hubbard
Managing Attorney

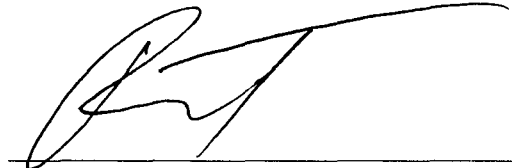


Rustin Tawater
State Bar No. 24110430
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7230
(512) 936-7268 (facsimile)
rustin.tawater@puc.texas.gov

DOCKET NO. 50057

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on October 28, 2019, in accordance with 16 TAC § 22.74.



Rustin Tawater

PUC Interoffice Memorandum

To: Rustin Tawater, Attorney
Legal Division

Thru: Heidi Graham, Manager
Infrastructure Division

From: Greg Charles, Engineer
Infrastructure Division

Date: October 28, 2019

Subject: **Docket No. 50057**, *Application of RJR Water Company, Inc. and Mountain River Water for Sale, Transfer, or Merger of Facilities and Certificate Rights in Parker and Palo Pinto Counties*

On September 27, 2019, RJR Water Company, Inc. (Purchaser) and the Mountain River Water (Seller) (collectively, Applicants) filed an application for Sale, Transfer, or Merger of facilities and certificate rights in Parker and Palo Pinto Counties, Texas, pursuant to Texas Water Code Ann. § 13.301 and the 16 Texas Administrative Code § 24.239.

Specifically, RJR Water Company, Inc. seeks approval to acquire facilities and to transfer all of Mountain River Water's water CCN No. 12139. The requested area includes approximately 345 acres and 132 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;
 - 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; and

- 2) Provide correct notice of the application to the following entities:
 - Brazos River Authority
 - Millsap WSC (CCN No. 11240)
 - Palo Pinto County Judge
 - Parker County Judge
 - Parker County SUD (CCN No. 12313)
 - Santo WSC (CCN No. 11388)
 - Sturdivant Progress WSC (CCN No. 10256)
 - Upper Trinity GCD

- 3) Provide a plan of action, with time frame, to cure the following capacity issue as recorded in the Notice of Violation, which is still active on the Texas Commission on Environmental Quality (TCEQ) database:

06/09/2017	ACTIVE	30 TAC Chapter 290, SubChapter D 290.45(b)(1) ; 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(C) ; 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(C)(i) (Not applicable to CH)	Failure to provide a minimum production capacity of 0.6 gallons per minute (gpm) per connection. EIC B19.c.(9) MOD(2)(G)
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- 4) Provide an accurate map delineating the requested service 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 web site located at <http://www14.tceq.texas.gov/iwud/>.
- 5) 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.