



Control Number: 50276



Item Number: 8

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RECEIVED

APPLICATION OF NORTH
VICTORIA UTILITIES, INC. AND
CSWR-TEXAS UTILITY
OPERATING COMPANY, LLC FOR
SALE, TRANSFER, OR MERGER OF
FACILITIES AND CERTIFICATE
RIGHTS IN VICTORIA COUNTY

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PUBLIC UTILITY COMMISSION

STATE OF TEXAS
PUBLIC UTILITY COMMISSION
FILING CLERK

**COMMISSION STAFF'S RECOMMENDATION
ON ADMINISTRATIVE COMPLETENESS AND PROPOSED NOTICE**

COMES NOW the Staff (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 and Proposed Notice. Staff recommends that the application be deemed sufficient for further review. In support, Staff shows the following:

I. BACKGROUND

On November 22, 2019, North Victoria and CSWR-Texas filed an application for approval of the sale, transfer, or merger of facilities and CCN rights in Victoria County. North Victoria seeks to transfer its water service area held under CCN number 11817 to CSWR-Texas and issue a new CCN to CSWR-Texas. The requested transfer includes approximately 307 acres and 77 connections.

On November 25, 2019, the administrative law judge (ALJ) issued Order No. 1, which established a deadline of January 2, 2020 as the deadline for Staff to file a recommendation on administrative completeness and proposed notice. On December 30, 2019, Staff filed a request for extension so that it could have additional time to review the financial documents included in the application. Staff has now completed its review. At this time, Staff withdraws its request for extension and timely files this recommendation.

II. ADMINISTRATIVE COMPLETENESS

As detailed in the attached memorandum drafted by Gregory Charles of the Commission's Infrastructure Division, Staff has reviewed the application 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 Mr. 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	February 3, 2020
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 complete. Staff further recommends that the procedural schedule proposed above be adopted for further processing of this docket.

Dated: January 2, 2020

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF
TEXAS LEGAL DIVISION**

Thomas S. Hunter
Division Director

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DOCKET NO. 50276

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on January 2, 2020, in accordance with 16 TAC § 22.74.



Merritt Lander

PUC Interoffice Memorandum

To: Merritt Lander, Attorney
Legal Division

From: Greg Charles, Engineer
Infrastructure Division

Date: December 31, 2019

Subject: **Docket No. 50276:** *Application of CSWR-Texas Utility Operating Company, LLC and North Victoria Utilities, Inc. for Sale, Transfer, or Merger of Facilities and Certificate Rights in Victoria County*

On November 22, 2019, CSWR-Texas Utility Operating Company, LLC (CSWR-Texas) and the North Victoria Utilities, Inc. (North Victoria) (collectively, Applicants) filed an application for Sale, Transfer, or Merger (STM) of facilities and certificate rights in Victoria County, Texas, pursuant to Texas Water Code Ann. (TWC) § 13.301 and the 16 Texas Administrative Code (TAC) § 24.239.

Specifically, CSWR-Texas, seeks approval to acquire facilities and to purchase and transfer North Victoria's water CCN No. 11817. The requested area includes approximately 307 acres and 77 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

- 2) Provide correct notice of the application to the following:
 - a) City of Victoria (CCN No. 10722)
 - b) Guadalupe-Blanco River Authority
 - c) Victoria County Drainage District 3
 - d) Victoria County GCD
 - e) Victoria County Judge
 - f) Victoria County Navigation 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 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 Applicant use the attached notice and affidavit to meet these requirements.

Please note, Staff may determine that additional information is needed to make a final recommendation in this docket. If additional information is needed Staff may send requests for information (RFI) to the Applicants. The Applicants will have 20 days from the receipt of the RFI to respond unless additional time is requested by the Applicants.

PUBLIC UTILITY COMMISSION



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, NEIGHBORING UTILITIES AND
AFFECTED PARTIES
DOCKET NO. 50276

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

Notice to Current Customers, Neighboring Systems, and Cities
CSWR-TEXAS UTILITY OPERATING COMPANY, LLC, NOTICE OF INTENT TO
PURCHASE NORTH VICTORIA UTILITIES, INC. AND TO TRANSFER NORTH
VICTORIA UTILITIES, INC'S. SERVICE AREA UNDER CCN NO. 11817 IN VICTORIA
COUNTY, TEXAS

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

(Address)

(City State Zip)

CSWR-Texas Utility Operating Co., LLC 500 Northwest Plaza, Ste 500, St. Louis, Mo. 63074
(Purchaser's Name) (Address) (City), (State) (Zip Code)

has submitted an application with the Public Utility Commission of Texas (Commission) to purchase North Victoria Utilities' water facilities and to transfer water certificated service area under CCN No. 11817, in Victoria County, TX from:

North Victoria Utilities, Inc. P.O. Box2346, Victoria, Texas 77904
(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:
Twin Creek Park.

The requested area subject to this transaction is located approximately 8 miles north of downtown Victoria, Texas, and is generally bounded on the north by Adcock Ranch Drive; on the east by Longview Drive; on the south by Levi Sloan Drive; and on the west by Levi Sloan Drive. The total requested area for the water CCN being transferred includes approximately 309 acres and 77 current customers.

A copy of the map showing the requested area is available upon request from:

Purchaser or Purchaser's Representative

Address

City State Zip Code

This transaction will have the following effect on the current customers' rates and services:
Customers will be charged the same rates as before the transaction.

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