

Control Number: 50311



Item Number: 11

Addendum StartPage: 0

RECEIVED

2020 FEB -7 AM 10:39

APPLICATION OF COPANO §
HEIGHTS WATER COMPANY AND §
CSWR-TEXAS UTILITY OPERATING §
COMPANY, LLC FOR SALE, §
TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN ARANSAS COUNTY §

PUBLIC UTILITY COMMISSION
OF TEXAS
PUBLIC UTILITY COMMISSION
FILING CLERK

**COMMISSION STAFF’S RECOMMENDATION ON ADMINISTRATIVE
COMPLETENESS AND PROPOSED PROCEDURAL SCHEDULE**

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and in response to Order No. 2, files this 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 December 4, 2019, Copano Heights Water Company (Copano) and CSWR-Texas Utility Operating Company, LLC (CSWR-Texas) (jointly Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate of convenience and necessity (CCN) rights in Aransas County. Copano seeks to transfer its water service area held under CCN number 11960 to CSWR-Texas and issue a new CCN to CSWR-Texas. The requested sale and transfer includes approximately 61 acres and 110 connections. Applicants filed supplemental information on December 4, 2019.

The Administrative Law Judge issued Order No. 2 on January 8, 2020, establishing a deadline of February 7, 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.

11

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 signed affidavits that notice was provided, along with a copy of the notice sent to the affected parties	March 9, 2020
Deadline for Commission Staff to file a recommendation on sufficiency of notice	Within 10 days of Applicants filing proof of completed notice
Deadline for affected persons to file motions to intervene; deadline 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 Applicants be directed to provide notice as detailed above in the attached memorandum, and that the procedural schedule proposed above be adopted for further processing of this docket.


Dated: February 7, 2020

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Thomas S. Hunter
Division Director

Rachelle Nicolette Robles
Managing Attorney

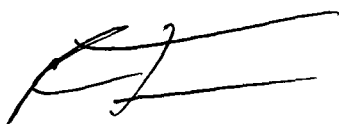


Rustin Tawater
State Bar No. 24110430
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7230
(512) 936-7268 (facsimile)
rustin.tawater@puc.texas.gov

DOCKET NO. 50311

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on February 7, 2020, in accordance with 16 TAC § 22.74.



Rustin Tawater

PUC Interoffice Memorandum

To: Rustin Tawater, Attorney
Legal Division

From: Greg Charles, Engineer
Infrastructure Division

Date: February 4, 2020

Subject: **Docket No. 50311**, *Application of CSWR-Texas Utility Operating Company, LLC and Copano Heights Water Company for Sale, Transfer, or Merger of Facilities and Certificate Rights in Aransas County*

On November 22, 2019, CSWR-Texas Utility Operating Company, LLC (Purchaser or CSWR-Texas) and the Copano Heights Water Company (Seller or Copano Heights) (collectively, Applicants) filed an application for Sale, Transfer, or Merger (STM) of facilities and certificate rights in Aransas County, Texas, pursuant to Texas Water Code Ann. § 13.301 and the 16 Texas Administrative Code § 24.239. Specifically, CSWR-Texas, seeks approval to acquire facilities and to purchase and transfer Copano Heights' water CCN No. 11960. The requested area includes approximately 61 acres and 110 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:
 - Aransas County GCD
 - Aransas County Judge
 - City of Fulton
 - City of Rockport (CCN No. 10565)
 - Copano Cove Water Company (CCN No. 12016)
 - San Patricio MWD
- 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.

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 Applicant(s). The Applicant(s) will have 20 days from the receipt of the RFI to respond unless additional time is requested by the Applicant(s).

Docket No. 50311

Notice to Current Customers, Neighboring Systems, and Cities

CSWR-TEXAS UTILITY OPERATING COMPANY, LLC, NOTICE OF INTENT TO PURCHASE COPANO HEIGHTS WATER COMPANY AND TO TRANSFER COPANO HEIGHTS WATER SERVICE COMPANY'S SERVICE AREA UNDER CCN NO. 11960 IN ARANSAS COUNTY, TEXAS

To: _____ Date Notice Mailed: _____, 202__
(Name of Customer, Neighboring System, or City)

(Address)

(City State Zip)

CSWR-Texas Utility Operating Company, 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 Copano Heights Water Service Company's water facilities and to transfer water certificated service area under CCN No. 11960, in Aransas County, TX from:

Copano Heights Water Company P.O. Box 627 Fulton, Texas 78358
(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:
Copano Heights.

The requested area subject to this transaction is located approximately 2 miles north of downtown Rockport, Texas, and is generally bounded on the north by Coral Drive; on the east by TX-35; on the south by Bermuda Drive; and on the west by FM1781. The total requested area for the water CCN being transferred includes approximately 61 acres and 110 current customers.

A copy of the map showing the requested area is available at: CSWR Texas' offices and upon request.

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

PUBLIC UTILITY COMMISSION OF TEXAS



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, NEIGHBORING UTILITIES AND
AFFECTED PARTIES
DOCKET NO. 50311

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 _____