

Control Number: 50319



Item Number: 10

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March 18, 2020

Public Utility Commission of Texas Attention: Filing Cle 1701 Congress Avenue P.O. Box 13326

Austin, Texas 78711-3326

Customer Service 866.654.SWWC (7992)

Re:

Docket 50319 - Application of SWWC Utilities, Inc. dba Water Services, Inc. and Monarch Utilities I, L.P. for sale, transfer, or merger of facilities and certificate rights in Bandera, Bexar, Comal, Gillespie, Guadalupe, Hays, Kendall, Kerr, and Medina counties

Response to Deficiencies

To the Commission:

On December 5, 2019, SWWC Utilities, Inc. DBA Water Services, Inc. ("Water Services") and Monarch Utilities I L.P. ("Monarch", collectively "Applicants") filed an application to transfer all assets and CCNs from Water Services to Monarch ("Application"). Order No. 2 issued on January 17, 2020, ordered the Applicants to correct certain deficiencies in the Application. The Applicants filed cures to the deficiencies on January 22, 2020. On March 16, 2020, Staff filed a supplemental recommendation identifying new deficiencies, not noted in the Staff's previous recommendation on sufficiency, and recommended the Application again be deemed administratively insufficient. Staff also proposed a procedural schedule giving Applicants 30 days to correct the identified deficiencies and Staff another 30 days to review and file a supplemental recommendation.

The Applicants hereby cure the deficiencies identified in Staff's supplemental recommendation, and request the Commission not delay the proceeding an additional 60 days as contemplated in Staff's proposed schedule. Applicants request the Commission ALJ issue an order noting that the Application is administratively sufficient. In the alternative, Applicants request the Commission ALJ issue an order with an abbreviated procedural schedule in which Staff is given 10 days from the date the deficiencies are cured to file a supplemental recommendation of administrative sufficiency of the Application.

Please contact me if any additional information is required at this time.

Sincerely,

George Freitag

George Freitag, P.E.
Texas Regulatory Manager
SouthWest Water Company
Monarch Utilities I, L.P.
(512) 219-2288
gfreitag@swwc.com

DEFICIENCIES

Staff reviewed the information provided in the application and recommends that the application be deemed administratively incomplete and not accepted for filing due to the following deficiencies in the application:

1. Clarify whether the public water system named Cedar Springs, with PWS No. 1330019, is missing from the application and should be included in this application.

RESPONSE:

The first page of Part F, Question 22 for Cedar Springs, PWS No. 1330019, was inadvertently inserted with a duplicate page for Country Springs in the application. Please replace Bates numbered page 000013 with the attached correct page for Cedar Springs.

- 2. Confirm the PWS numbers should be corrected in the application as follows:
 - Oakview (PWS No. 0860107)
 - Rocky Creek Subdivision Water System (PWS No. 1630038)
 - Stage Coach Hills (PWS No. 0150096)

RESPONSE:

Confirmed.

Please replace Bates numbered pages 000037, 000047, and 000051 with the attached pages with the correct numbers.

-		Part F: TCEQ P	ublic W	/ater System or Sev	ver (Wastev	vater) Information			
C		te Part F for <u>EACH</u> Public h a separate sheet with thi	Water	or Sewer system to	be tra	ansferre	ed subject to approv			
22.	A.	For Public Water System	(PWS):							
		TO	CEQ PW	S Identification Num	ıber:	133001	9	(7 digit ID)		
						Cedar Springs				
		Data of l	oot TCE			April 17, 2019		(attach TCEQ letter)		
		Date of 1	ast ICE					(didden relatively)		
				Subdivisions ser	ved:	Cedar Springs				
	В.	B. For Sewer service:								
		TCEQ Water Quality	(WQ) D	Pischarge Permit Num	iber:	WQ		(8 digit ID)		
			Nam	e of Wastewater Fac	ility:			· · · · · · · · · · · · · · · · · · ·		
		Date of 1	ast TCE	Q compliance inspec				(attach TCEQ letter)		
		Date of application to tra	ansfer ne	ermit submitted to TC	ΈΩ·			TCEQ recommends waiting until approval of sale is close		
				Time <u>sugmered</u> to 1 c				until approval of sale is close		
23.	List t	the number of <i>existing</i> conne	ections, l	by meter/connection t	type, 1	to be aff	ected by the proposed	I transaction:		
	Water						Sewer			
		Non-metered		2"			Residential			
	_	5/8" or 3/4"		3" 4"			Commercial			
		1"		 `			Industrial			
		Total Water Conne	ections:	Other	48	T,	Other otal Sewer Connection	16:		
	<u> </u>	Total water conne	ctions.				otal Sewer Connection			
24.	 A. Are any improvements required to meet TCEQ or Commission standards? No X Yes 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 Car	ital Imi	provement:	Est	timated	Completion Date:	Estimated Cost:		
		C. Is there a moratorium	ım on ne	ew connections?				·		
		No Y	es:							
25.	Does	the system being transferred	•	-						
		No Y	es:					(name of municipality)		
							mers within the muni	cipal boundary.		
				Water:			Sewer:			

	<u>.</u>	Part F: TCEQ P	ublic W	/ater System or Se	wer (Wastev	water) Information		
C		te Part F for <u>EACH</u> Public h a separate sheet with thi							
22.	A.	For Public Water System	(PWS):						
		TO	CEQ PW	S Identification Nun	nber:	0860107		(7 digit ID)	
				Name of F		Oakview			
		Date of 1	ast TCE			November 16, 2016		(attach TCEQ letter)	
		_ _ u		Subdivisions ser					
	В.	For Sewer service:		Subdivisions ser	rea.	Cakrion			
	ъ.		(WO) L	oischarge Permit Nun	nher:	WQ -		(8 digit 1D)	
		Telly Water Quanty		ne of Wastewater Fac					
			INGII.	Name of Perm	Ť		· · · · · · · · · · · · · · · · · · ·		
		D. t C1	TOP					(attach TCEQ letter)	
				Q compliance inspec					
				Subdivisions ser	rved:			TCFO recommends waiting	
	_	Date of application to tra	ınsfer pe	ermit <u>submitted</u> to TC	CEQ:			until approval of sale is close	
23.	List t	the number of existing conne	ections,	by meter/connection	type, 1	to be aff	fected by the proposed	l transaction:	
	Wate	er			•	Sewer	· · · · · · · · · · · · · · · · · · ·	-	
		Non-metered		2"	1.4.		Residential		
	64			3"			Commercial		
		1"		4"			Industrial		
		1 ½"	-4:	Other			Other Countries		
	L	Total Water Conne	ections:		64		otal Sewer Connection	18:	
24.	 A. Are any improvements required to meet TCEQ or Commission standards? No Yes 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 Con	ital Ima		East		Completion Dates	Estimated Cost:	
	-	Description of the Cap	itai iiij	provement:	ESI	imateu	Completion Date:	Estimated Cost:	
		C. Is there a moratoriu	m on ne	ew connections?					
		No Ye	es:						
25.	Does	the system being transferred	l operate	within the corporate	boun	daries o	of a municipality?		
		□ No □ Ye	es:					(name of municipality)	
	If yes, indicate the number of customers within the municipal boundary.								
			1	•				· ·	
				Water:			BCWCI		

		Part F: TCEQ P	ublic Wate	er System or Sew	er (\	Wastev	vater) Information		
C		te Part F for <u>EACH</u> Public h a separate sheet with this							
22.	A.	For Public Water System ((PWS):						
		TO	CEQ PWS I	Identification Numb	er:	163003	8	(7 digit ID)	
				Name of PV	WS:	Rocky Creek Subdivision Water System			
		Date of last TCEQ compliance inspection:						(attach TCEQ letter)	
		- 			-				
	Subdivisions served: Rocky Creek								
	Д.	B. For Sewer service:							
		TCEQ water Quality						(8 digit ID)	
			Name o	ity: _					
				Name of Permit	tee: _	·			
		Date of l	ast TCEQ c	compliance inspecti	on:	 -		(attach TCEQ letter)	
				Subdivisions serv	ed: _				
		Date of application to tra	ansfer perm	it <u>s<i>ubmitted</i></u> to TCE	EQ: _			TCEQ recommends waiting until approval of sale is close	
23.									
25.	List the number of <i>existing</i> connections, by meter/connection type, to be affected by the proposed transaction:								
	Wate	Non-metered	2"	,		Sewer	Residential		
	40	5/8" or 3/4"	3"				Commercial		
		1"	4"	,			Industrial		
		1 ½"		ther			Other		
	L	Total Water Conne	ections:		40	To	otal Sewer Connection	ns:	
24.	 A. Are any improvements required to meet TCEQ or Commission standards? No X Yes 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 Cap	ital Impro	vement:	Est	imated	Completion Date:	Estimated Cost:	
			 						
				···· <u>-</u>					
	(C. Is there a moratoriu		connections?					
25.	Desc	the system being transferred	L anareta :	ithin the commonet - 1		domina a	fo municipality?		
25.	Does		-	•			• •	Comment of the State of the Sta	
		No Ye						(name of municipality)	
			If ye				mers within the munic		
				Water:			Sewer:		

		Dort E. TCEO I	blic \A	Johan Sustam on Fai		Masta			
C		ete Part F for <u>EACH</u> Public th a separate sheet with thi	c Water	or Sewer system to	be tr	ansferr		al of the transaction.	
22.	Α.	For Public Water System	(PWS):						
		•	` ′	/S Identification Nun	nber	015009	96	(7 digit ID)	
		•	CLQIW					,	
							Coach Hills		
		Date of I	ast TCE	Q compliance inspec	tion:	November 22, 2016		(attach TCEQ letter)	
				Subdivisions ser	rved:				
	B.								
		TCEQ Water Quality	(WO) E	Discharge Permit Nun	nber:	WO	-	(8 digit ID)	
			rvaii.	Name of Perm					
		Date of I	ast TCE	Q compliance inspec				(attach TCEQ letter)	
				Subdivisions ser	rved:				
		Date of application to tra	ansfer pe	ermit <u>submitted</u> to TC	CEQ:			TCEQ recommends waiting until approval of sale is close	
23. List the number of <u>existing</u> connections, by meter/connection type, to be affected by the propo						ected by the propose	d transaction:		
	Water					Sewer			
		Non-metered	1	2"			Residential		
	157			3"			Commercial		
	1	3 1 ½"		4" Other			Industrial Other		
		Total Water Conne	ections	Other	162	T	otal Sewer Connection	ne.	
		Total Water Comme	etions.		102	1,	otal Sewer Connection	113.	
 A. Are any improvements required to meet TCEQ or Commission standards? No X Yes B. Provide details on each required major capital improvement necessary to correct deficiencies to Commission standards (attach any engineering reports or TCEQ approval letters): 							ries to meet the TCEQ or		
		Description of the Cap	ital Im	provement:	Es	timated	Completion Date:	Estimated Cost:	
					<u> </u>				
		C. Is there a moratoriu	ım on ne	ew connections?					
		No Y	es:						
25.	Does	the system being transferred	l operate	within the corporate	boun	daries o	f a municipality?		
		No Ye	es:					(name of municipality)	
				f.vaa indiaata tha nu		of overte			
			1	•			mers within the muni	•	
				Water:			Sewer:		