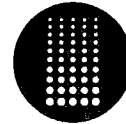


Control Number: 50319



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**Monarch
Utilities I, L.P.**

A SouthWest Water Company

Customer Service
866.654.SWWC (7992)

March 18, 2020

Public Utility Commission of Texas Attention: Filing Clerk
1701 Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

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 Public Water System or Sewer (Wastewater) Information

Complete Part F for EACH Public Water or Sewer system to be transferred subject to approval of the transaction. Attach a separate sheet with this information if you need more space for additional systems being transferred.

22. A. For Public Water System (PWS):

TCEQ PWS Identification Number: 1330019 (7 digit ID)

Name of PWS: Cedar Springs

Date of last TCEQ compliance inspection: April 17, 2019 (attach TCEQ letter)

Subdivisions served: Cedar Springs

B. For Sewer service:

TCEQ Water Quality (WQ) Discharge Permit Number: WQ - (8 digit ID)

Name of Wastewater Facility: _____

Name of Permittee: _____

Date of last TCEQ compliance inspection: _____ (attach TCEQ letter)

Subdivisions served: _____

Date of application to transfer permit *submitted* to TCEQ: _____ TCEQ recommends waiting until approval of sale is close

23. List the number of *existing* connections, by meter/connection type, to be affected by the proposed transaction:

Water				Sewer	
	Non-metered		2"		Residential
47	5/8" or 3/4"		3"		Commercial
1	1"		4"		Industrial
	1 1/2"		Other		Other
Total Water Connections:			48	Total Sewer Connections:	

24. A. Are any improvements required to meet TCEQ or Commission standards?

No Yes

B. 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 Capital Improvement:	Estimated Completion Date:	Estimated Cost:

C. Is there a moratorium on new connections?

No Yes:

25. Does the system being transferred operate within the corporate boundaries of a municipality?

No Yes: _____ (name of municipality)

If yes, indicate the number of customers within the municipal boundary.

Water: _____ Sewer: _____

Part F: TCEQ Public Water System or Sewer (Wastewater) Information

Complete Part F for EACH Public Water or Sewer system to be transferred subject to approval of the transaction. Attach a separate sheet with this information if you need more space for additional systems being transferred.

22. A. For Public Water System (PWS):

TCEQ PWS Identification Number: 0860107 (7 digit ID)

Name of PWS: Oakview

Date of last TCEQ compliance inspection: November 16, 2016 (attach TCEQ letter)

Subdivisions served: Oakview

B. For Sewer service:

TCEQ Water Quality (WQ) Discharge Permit Number: WQ - (8 digit ID)

Name of Wastewater Facility: _____

Name of Permittee: _____

Date of last TCEQ compliance inspection: _____ (attach TCEQ letter)

Subdivisions served: _____

Date of application to transfer permit submitted to TCEQ: _____ TCEQ recommends waiting until approval of sale is close

23. List the number of existing connections, by meter/connection type, to be affected by the proposed transaction:

Water				Sewer	
	Non-metered		2"		Residential
64	5/8" or 3/4"		3"		Commercial
	1"		4"		Industrial
	1 1/2"		Other		Other
Total Water Connections:			64	Total Sewer Connections:	

24. A. Are any improvements required to meet TCEQ or Commission standards?

No Yes

B. 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 Capital Improvement:	Estimated Completion Date:	Estimated Cost:

C. Is there a moratorium on new connections?

No Yes:

25. Does the system being transferred operate within the corporate boundaries of a municipality?

No Yes: _____ (name of municipality)

If yes, indicate the number of customers within the municipal boundary.

Water: _____ Sewer: _____

Part F: TCEQ Public Water System or Sewer (Wastewater) Information

Complete Part F for EACH Public Water or Sewer system to be transferred subject to approval of the transaction. Attach a separate sheet with this information if you need more space for additional systems being transferred.

22. A. For Public Water System (PWS):

TCEQ PWS Identification Number: 1630038 (7 digit ID)

Name of PWS: Rocky Creek Subdivision Water System

Date of last TCEQ compliance inspection: May 23, 2019 (attach TCEQ letter)

Subdivisions served: Rocky Creek

B. For Sewer service:

TCEQ Water Quality (WQ) Discharge Permit Number: WQ - (8 digit ID)

Name of Wastewater Facility: _____

Name of Permittee: _____

Date of last TCEQ compliance inspection: _____ (attach TCEQ letter)

Subdivisions served: _____

Date of application to transfer permit submitted to TCEQ: _____ TCEQ recommends waiting until approval of sale is close

23. List the number of *existing* connections, by meter/connection type, to be affected by the proposed transaction:

Water			Sewer		
	Non-metered		2"		Residential
40	5/8" or 3/4"		3"		Commercial
	1"		4"		Industrial
	1 1/2"		Other		Other
Total Water Connections:			40	Total Sewer Connections:	

24. A. Are any improvements required to meet TCEQ or Commission standards?

No Yes

B. 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 Capital Improvement:	Estimated Completion Date:	Estimated Cost:

C. Is there a moratorium on new connections?

No Yes:

25. Does the system being transferred operate within the corporate boundaries of a municipality?

No Yes: _____ (name of municipality)

If yes, indicate the number of customers within the municipal boundary.

Water: _____ Sewer: _____

Part F: TCEQ Public Water System or Sewer (Wastewater) Information

Complete Part F for EACH Public Water or Sewer system to be transferred subject to approval of the transaction. Attach a separate sheet with this information if you need more space for additional systems being transferred.

22. A. For Public Water System (PWS):

TCEQ PWS Identification Number: 0150096 (7 digit ID)

Name of PWS: Stage Coach Hills

Date of last TCEQ compliance inspection: November 22, 2016 (attach TCEQ letter)

Subdivisions served: _____

B. For Sewer service:

TCEQ Water Quality (WQ) Discharge Permit Number: WQ - (8 digit ID)

Name of Wastewater Facility: _____

Name of Permittee: _____

Date of last TCEQ compliance inspection: _____ (attach TCEQ letter)

Subdivisions served: _____

Date of application to transfer permit *submitted* to TCEQ: _____ TCEQ recommends waiting until approval of sale is close

23. List the number of *existing* connections, by meter/connection type, to be affected by the proposed transaction:

Water				Sewer	
	Non-metered	1	2"		Residential
157	5/8" or 3/4"		3"		Commercial
1	1"		4"		Industrial
3	1 1/2"		Other		Other
Total Water Connections:			162	Total Sewer Connections:	

24. A. Are any improvements required to meet TCEQ or Commission standards?

No Yes

B. 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 Capital Improvement:	Estimated Completion Date:	Estimated Cost:

C. Is there a moratorium on new connections?

No Yes:

25. Does the system being transferred operate within the corporate boundaries of a municipality?

No Yes: _____ (name of municipality)

If yes, indicate the number of customers within the municipal boundary.

Water: _____ Sewer: _____