



Control Number: 50585



Item Number: 9

Addendum StartPage: 0

DOCKET NO. 50585

**APPLICATION OF POLONIA WATER
SUPPLY CORPORATION AND THE
CITY OF LOCKHART FOR SALE,
TRANSFER, OR MERGER OF
FACILITIES AND CERTIFICATE
RIGHTS IN CALDWELL COUNTY**

§
§
§
§
§
§

**PUBLIC UTILITY COMMISSION
OF TEXAS**



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

COMES NOW the Staff of the Public Utility Commission of Texas (Commission), representing the public interest, and 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 February 24, 2020, Polonia Water Supply Corporation (Polonia WSC) and the City of Lockhart (Lockhart) (the "Applicants") filed an application for sale, transfer, or merger of facilities and certificate of convenience and necessity (CCN) rights in Caldwell County. Polonia WSC seeks to transfer a portion of its water service area held under CCN No. 10420 to Lockhart. The Applicants filed supplemental information on April 3, 2020 and April 9, 2020.

On April 22, 2020, Order No. 3 was issued establishing a deadline of May 15, 2020, for Staff to file a recommendation on the administrative completeness of the application and propose a procedural schedule for further processing of the application. Therefore, this pleading is timely filed.

II. ADMINISTRATIVE COMPLETENESS

Staff has reviewed the application and supplemental information filed by the Applicants and, as detailed in the attached memorandum from Jolie Mathis, Infrastructure Division, recommends that the application be found administratively complete and accepted for filing. Staff's recommendation on administrative completeness is not a comment on the merits of the application, but only that it is complete for further processing.

III. NOTICE

As detailed in the attached memorandum, Staff recommends that Applicants proceed with providing public notice. Specifically, Staff recommends that Applicants be directed to use the attached *Notice to Landowners, Neighboring Systems, and Cities* form to complete the following actions:

- 1) Provide notice of the application by first-class mail 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:
 - Barton Springs/Edwards Aquifer Conservation District
 - Canyon Regional Water Authority
 - City of Lockhart (CCN No. 10295) – the applicant
 - County Line SUD (CCN No. 10292)
 - Edwards Aquifer Authority
 - Goforth SUD (CCN No. 11356)
 - Guadalupe-Blanco River Authority
 - Maxwell WSC (CCN No. 10293)
 - Polonia WSC (CCN No. 10420) – the applicant
 - Plum Creek Conservation District
 - Ranch at Clear Fork Creek MUD 2
 - b. The county judge of each county that is wholly or partially included in the requested area:
 - c. Any affected customers, and other affected parties in the requested area.

Addresses can be obtained by the Applicant from the Water Utility Database at <http://www.puc.texas.gov/watersearch>. Information related to districts including addresses can be obtained from the Texas Commission on Environmental Quality's (TCEQ) web site located at <http://www.tceq.texas.gov/iwud/>.

- 2) Provide notice and proof of notice using the attached notice and affidavit forms.
- 3) Provide a copy of the map delineating the requested area with each individual notice to neighboring utilities, other affected parties, and customers.
- 4) File in the docket an affidavit specifying every person and entity to whom notice was provided and the date that the notice was provided. Also file a representative copy of the actual notice and a copy of the map that was included with each individual notice.

IV. PROCEDURAL SCHEDULE

Staff recommends the application as supplemented be found administratively complete. Staff therefore proposes the following procedural schedule:

Event	Date
Deadline for Applicant to file with the Commission signed affidavits that the notice was given along with a copy of the notice sent to the affected parties and published in a newspaper of general circulation	June 15, 2020
Deadline for Staff to file a recommendation on sufficiency of notice	June 25, 2020
Deadline to intervene	Thirty (30) days after notice is issued

V. CONCLUSION

For the reasons detailed above, Staff recommends that the application, as supplemented, be found administratively complete, that Applicants be directed to provide notice as detailed in the attached memorandum, and that the proposed procedural schedule above be adopted.

Dated: May 15, 2020

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Rachelle Nicolette Robles
Division Director

Heath D. Armstrong
Managing Attorney

/s/ Robert Dakota Parish
Robert Dakota Parish
State Bar No. 24116875
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7442
(512) 936-7268 (facsimile)
Robert.Parish@puc.texas.gov

DOCKET NO. 50585

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on May 15, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Robert Dakota Parish
Robert Dakota Parish

PUC Interoffice Memorandum

To: Robert Dakota Parish, Attorney
Legal Division

From: Jolie Mathis, Utility Engineering Specialist
Infrastructure Division

Date: May 15, 2020

Subject: **Docket No. 50585**, *Application of Polonia Water Supply Corporation and City of Lockhart for Sale, Transfer, or Merger of Facilities and Certificate Rights in Caldwell County*

On February 24, 2020, the City of Lockhart (Purchaser) and Polonia WSC (Seller), (collectively, Applicants), filed an application for Sale, Transfer, or Merger (STM) of facilities and certificate rights in Caldwell County, Texas, pursuant to Texas Water Code Ann. (TWC) § 13.301 and the 16 Texas Administrative Code (TAC) § 24.239.

Specifically, the City of Lockhart, Certificate of Convenience and Necessity (CCN) No. 10295, seeks approval to acquire facilities and to transfer a portion of Polonia's water CCN No. 10420. The requested area includes approximately 2,373 acres and 25 connections.

Staff from the Rate Regulation Division and Infrastructure Division have reviewed the information filed by the Applicant and recommend that the application be deemed administratively complete. Staff further recommends the Applicant be ordered to do the following:

- 1) Provide notice of the application by first-class mail 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:
 - Barton Springs/Edwards Aquifer Conservation District
 - Canyon Regional Water Authority
 - City of Lockhart (CCN No. 10295) – the applicant
 - County Line SUD (CCN No. 10292)
 - Edwards Aquifer Authority
 - Goforth SUD (CCN No. 11356)
 - Guadalupe-Blanco River Authority
 - Maxwell WSC (CCN No. 10293)
 - Polonia WSC (CCN No. 10420) – the applicant
 - Plum Creek Conservation District
 - Ranch at Clear Fork Creek MUD 2
 - b. The county judge of each county that is wholly or partially included in the requested area:
 - c. Any affected customers, and other affected parties in the requested area.

Addresses can be obtained by the Applicant from the Water Utility Database at <http://www.puc.texas.gov/watersearch>. Information related to districts including addresses can be

obtained from the Texas Commission on Environmental Quality's (TCEQ) web site located at <http://www.tceq.texas.gov/nr/ncf/>.

- 2) Provide notice and proof of notice using the attached notice and affidavit forms.
- 3) Provide a copy of map delineating the requested area with each individual notice to neighboring utilities, other affected parties, and customers.
- 4) File in the docket an affidavit specifying every person and entity to whom notice was provided and the date that the notice was provided. Also file a representative copy of the actual notice and a copy of the map that was included with each individual notice.

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. The Applicant will have 20 days from the receipt of the RFI.

Notice to Current Customers, Neighboring Systems, and Cities

CITY OF LOCKHART, CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO. 10295, NOTICE OF INTENT TO PURCHASE A PORTION OF THE POLONIA WSC FACILITIES AND TO TRANSFER WATER SERVICE AREA UNDER CCN NO. 10420 FROM POLONIA WSC IN CALDWELL COUNTY, TEXAS

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

(Address)

(City State Zip)

City of Lockhart P.O. Box 230 Lockhart, TX 78644
(Purchaser's Name) (Address) (City), (State) (Zip Code)

has submitted an application with the Public Utility Commission of Texas (Commission) to purchase a portion of Polonia WSC water facilities and to transfer water certificated service area under CCN No. 10420 in Caldwell County, TX from:

Polonia WSC 2990 FM 1185 Lockhart, TX 78644
(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:
N/A

The requested area subject to this transaction is located approximately 2 miles northwest of downtown Lockhart, Texas, and is generally bounded on the north by Cypress Road and Plum Creek; on the east by N Colorado Street and US 183; on the south by Silent Valley Road; and on the west by FM 2720. The total requested area for the water or sewer CCN(s) being transferred includes approximately 2,373 acres and 25 current customers. **See enclosed map showing the requested area.**

This transaction will have the following effect on the current customers' rates and services: The customers rates will change to the city's rates.

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. The letter must include the person's name, address, email address and fax number if applicable.

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

Notice for Publication

CITY OF LOCKHART, CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO. 10295, NOTICE OF INTENT TO PURCHASE A PORTION OF THE POLONIA WSC FACILITIES AND TO TRANSFER WATER SERVICE AREA UNDER CCN NO. 10420 FROM POLONIA WSC IN CALDWELL COUNTY, TEXAS

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

(Address)

(City State Zip)

<u>City of Lockhart City Hall</u>	<u>P.O. Box 230</u>	<u>Lockhart, TX 78644</u>	
(Purchaser's Name)	(Address)	(City), (State)	(Zip Code)

has submitted an application with the Public Utility Commission of Texas (Commission) to purchase a portion of Polonia WSC water facilities and to transfer water certificated service area under CCN No. 10420 in Caldwell County, TX from:

<u>Polonia WSC</u>	<u>2990 FM 1185</u>	<u>Lockhart, TX</u>	<u>78644</u>
(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:

N/A.

The requested area subject to this transaction is located approximately 2 miles northwest of downtown Lockhart, Texas, and is generally bounded on the north by Cypress Road and Plum Creek; on the east by N Colorado Street and US 183; on the south by Silent Valley Road; and on the west by FM 2720. The total requested area for the water or sewer CCN(s) being transferred includes approximately 2,373 acres and 25 current customers. **See enclosed map showing the requested area.**

This transaction will have the following effect on the current customers' rates and services: The customers rates will change to the city's rates.

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. The letter must include the person's name, address, email address and fax number if applicable.

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 a 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.

PUBLIC UTILITY COMMISSION OF TEXAS



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, NEIGHBORING UTILITIES AND AFFECTED PARTIES DOCKET NO. 50585

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 _____

PUBLIC UTILITY COMMISSION OF TEXAS



PUBLISHER'S AFFIDAVIT DOCKET NO. 50585

STATE OF TEXAS
COUNTY OF _____

Before me, the undersigned authority, on this day personally appeared _____,
who being by me duly sworn, deposes and that (s)he is the

_____ of the _____
(TITLE) (NAME OF NEWSPAPER)

that said newspaper is regularly published in _____
(COUNTY/COUNTIES)

and generally circulated in _____, Texas;
(COUNTY/COUNTIES)

and that the attached notice was published in said newspaper on the following dates, to wit:

(DATES)

(SIGNATURE OF NEWSPAPER REPRESENTATIVE)

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 _____