



Control Number: 50736



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DOCKET NO. 50736

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APPLICATION OF HAMMOND §
MOUND UTILITIES, INC. AND §
ROSEHILL UTILITIES, INC. FOR §
SALE, TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN WALLER COUNTY §

PUBLIC UTILITY COMMISSION
FILING CLERK
OF TEXAS

COMMISSION STAFF'S RECOMMENDATION ON SUFFICIENCY OF NOTICE

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and in response to Order No. 5, files this Recommendation on Sufficiency of Notice. Staff recommends that the notice be deemed insufficient. In support thereof, Staff shows the following:

I. BACKGROUND

On April 3, 2020, Hammond Mound Utilities, Inc. (Hammond Mound) and Rosehill Utilities, Inc. (Rosehill) (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Waller County. Applicants seek to sell and transfer all of Hammond Mound's water service area and assets under Certificate of Convenience and Necessity (CCN) number 12965 to Rosehill. Further, Hammond Mound seeks to transfer all of its sewer service area and assets under CCN number 20886 to Rosehill. The requested transfer includes approximately 162 acres, 18 existing water connections, and 15 existing sewer connections. Applicants filed proof of notice on September 9, 2020.

On September 4, 2020, the administrative law judge (ALJ) issued Order No. 5, which found the application administratively complete, ordered Applicants to issue notice, and set a deadline of October 15, 2020 for Staff to file its recommendation on the sufficiency of notice. Therefore, this pleading is timely filed.

II. SUFFICIENCY OF NOTICE

Staff has reviewed the proof of notice filed by Applicants and recommends that it be found insufficient. Under 16 Texas Administrative Code (TAC) § 24.239(c)(1), notice must include the transferor and the transferee's CCN numbers. In the notice forms Staff provided,

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Staff unintentionally listed Rosehill's water CCN number as Hammond Mound's water CCN number. It appears that Applicants tried to correct the CCN number, but the Applicants also provided the wrong CCN number. Ultimately, the notices that were sent out included water CCN number 11854, which is held by Beacon Estates Water Supply Corporation. As a result of these issues, Applicants did not provide notice as required by 16 TAC § 24.239(c)(1)(A). Staff, therefore, recommends that Applicants be ordered to re-issue notice to all affected parties and all affected customers using the attached notice forms, which have been corrected.

III. PROCEDURAL SCHEDULE

Staff recommends that notice be found insufficient; therefore, Staff proposes the following procedural schedule:

Event	Date
Deadline for Applicants to file proof that notice was issued in compliance with 16 TAC § 24.239(c)	October 29, 2020
Deadline for Staff to file a supplemental recommendation on sufficiency of notice	November 9, 2020

IV. CONCLUSION

For the reasons detailed above, Staff respectfully recommends that notice be found insufficient, that Applicants be ordered to provide notice using the attached forms, and that the proposed procedural schedule be adopted.

Dated: October 15, 2020

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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/s/ Daniel Moore
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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 October 15, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Daniel Moore
Daniel Moore

Notice to Current Customers, Neighboring Systems, and Cities

ROSEHILL UTILITIES, INC., WATER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO. 12663, NOTICE OF INTENT TO PURCHASE WATER AND SEWER FACILITIES AND TO TRANSFER WATER SERVICE AREA UNDER CCN NO. 12965 AND SEWER SERVICE AREA UNDER CCN NO. 20886 FROM HAMMOND MOUND UTILITIES, INC. IN WALLER COUNTY, TEXAS

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

(Address)

(City) State Zip)

<u>Rosehill Utilities, Inc.</u>	<u>P.O. Box 1945</u>	<u>Cypress, TX</u>	<u>77410-1945</u>
(Purchaser's Name)	(Address)	(City), (State)	(Zip Code)

has submitted an application with the Public Utility Commission of Texas (Commission) to purchase Hammond Mound Utilities, Inc. water and sewer facilities and to transfer water certificated service area under CCN No. 12965 and sewer certificated service area under CCN No. 20886, in Waller County, TX from:

<u>Hammond Mound Utilities, Inc.</u>	<u>P.O. Box 111637</u>	<u>Houston, TX</u>	<u>77293-1637</u>
(Seller's Name)	(Address)	(City), (State)	(Zip Code)

The sale is scheduled to take place if approved by the Commission (Texas Water Code § 13.301). The transaction and the transfer of the CCN includes the following subdivisions:
Hammond Mound Commercial Subdivision (water service) and Quixote Commercial Subdivision (sewer service)

The requested area is located approximately 6 miles north of downtown Brookshire, TX, and is generally bounded on the north by a line approximately 1000' north of and parallel to Sunset Lane; on the east by FM 362; on the south by Wilson Road; and on the west by the terminus of Sunset Lane.

The requested area includes approximately 162 total acres and 18 current water customers and 15 current sewer customers.

See enclosed map showing the requested area.

This transaction will not have an effect on the current customer's rates and services.

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

PUBLIC UTILITY COMMISSION OF TEXAS



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, NEIGHBORING UTILITIES, AND AFFECTED PARTIES DOCKET NO. 50736

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 _____

Updated. April 13, 2020