

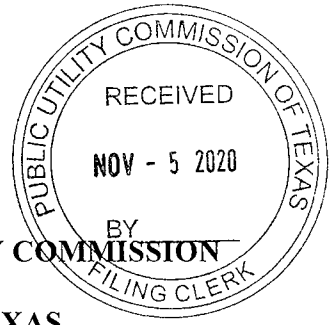


Control Number: 51003



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DOCKET NO. 51003

**APPLICATION OF OAK HILL RANCH §
ESTATES WATER AND CSWR-TEXAS §
UTILITY OPERATING COMPANY, §
LLC FOR SALE, TRANSFER, OR §
MERGER OF FACILITIES AND §
CERTIFICATE RIGHTS IN §
GUADALUPE AND WILSON §
COUNTIES §**

**PUBLIC UTILITY COMMISSION
OF TEXAS**

**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 files this recommendation. Staff recommends that the application be found administratively complete at this time. In support thereof, Staff shows the following:

I. BACKGROUND

On July 1, 2020, Oak Hills Ranch Estates Water Company (Oak Hills) and CSWR-Texas Utility Operating Company, LLC (CSWR-Texas) (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Guadalupe and Wilson counties. The requested area includes 1,857 acres and 196 connections. Supplemental application materials were filed on July 8, 10, and 14, August 24, and September 10 and 21, 2020.

On October 15, 2020, Order No. 6 was filed, requiring Staff to file a recommendation regarding the administrative completeness of the application, along with a proposed procedural schedule, by November 5, 2020. This pleading, therefore, 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 it be found administratively complete and accepted for filing. Staff's recommendation on administrative completeness is not a comment on the merits of the application.

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III. NOTICE

At this time, Staff recommends that the Applicants proceed with providing public notice to all current customers, persons, political subdivisions, and other entities listed in the attached memorandum using the notice provided. Along with each individual notice, Staff recommends that Applicants provide an accurate map delineating the requested service area. Because the requested area includes uncertificated area, Staff further recommends that the Applicants publish notice of the application for two consecutive weeks in a newspaper of general circulation in the county where the uncertificated requested area is located.

Once notice has been provided, Staff recommends that the Applicants file proof of notice as described in the attached memorandum, including an affidavit specifying the name and address of every person and entity to whom notice was provided, the date that the notice was provided, and a copy of the map provided with the notice. The Applicants should also provide a completed publisher's affidavit and a copy of the map that was published. Finally, Staff recommends that the Applicants use the attached notices and affidavits to meet these requirements.

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 the notice was given along with a copy of the map and notice sent to the affected parties and published in a newspaper of general circulation	December 21, 2020
Deadline for Staff to file a recommendation on sufficiency of notice	December 31, 2020
Deadline to intervene	Thirty (30) days after notice is issued

V. CONCLUSION

Staff respectfully requests the issuance of an order consistent with the foregoing recommendation.

Dated: November 5, 2020

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Rachelle Nicolette Robles
Division Director

Eleanor D'Ambrosio
Managing Attorney

/s/ Creighton R. McMurray
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DOCKET NO. 51003

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 on November 5, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Creighton R. McMurray
Creighton R. McMurray

Public Utility Commission of Texas

Memorandum

TO: Creighton McMurray, Attorney
Legal Division

FROM: Jolie Mathis, Utility Engineering Specialist
Infrastructure Division

DATE: November 5, 2020

RE: Docket No. 51003 – *Application of Oak Hill Ranch Estates Water and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Guadalupe and Wilson Counties*

On July 1, 2020, CSWR-Texas Utility Operating Company, LLC (CSWR-Texas) and Oak Hills Ranch Estates Water Company (Oak Hills) filed an application for sale, transfer, or merger (STM) of facilities and certificate rights in Guadalupe and Wilson Counties, Texas, under Texas Water Code (TWC) §§ 13.242 to 13.250 and § 13.301 and 16 Texas Administrative Code (TAC) §§ 24.225 to 24.237 and § 24.239.

Specifically, CSWR-Texas, certificate of convenience and necessity (CCN) No. 13290,¹ seeks approval to acquire facilities and to transfer all of water service area from Oak Hills under water Certificate of Convenience and Necessity (CCN) No. 12051. The total area affected by the application includes approximately 1,857 acres and 196 connections. The total requested area that will be added to CSWR-Texas' CCN is 1.769 acres broken down as follows:

Area to be transferred is approximately 903 acres.

Area to be decertified is approximately 88 acres.

Area to be newly certificated is approximately 866 acres.

Based on the mapping review by Gary Horton, Infrastructure Division, the financial and managerial review by Fred Bednarski, Rate Regulation Division, and my technical and managerial review of the information filed, I recommend that the application be deemed administratively complete. I further recommend that CSWR-Texas and Oaks Hills be ordered to do the following:

- 1) Provide notice of the application by first-class mail to the following:

¹ Final approval for CSWR-Texas to obtain water CCN No. 13290 is pending in Docket Nos. 50251, 50279, and 50311,

- 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:
 - *Canyon Regional Water Authority*
 - *Ecleto Creek Watershed District*
 - *Guadalupe-Blanco River Authority*
 - *Lake Valley Water Company Inc (CCN No. 12308)*
 - *San Antonio River Authority*
 - *Springs Hill WSC (CCN No. 10666)*
 - *Sunko WSC (CCN No. 10658)*

- b. The county judge of each county that is wholly or partially included in the requested area:
 - *Guadalupe County Judge*
 - *Wilson County Judge*

- c. Each groundwater conservation district that is wholly or partially included in the requested area:
 - *Evergreen Underground Water Conservation District*
 - *Guadalupe County Groundwater Conservation District*

- d. Each owner of a tract of land that is at least 25 acres and is wholly or partly located in the requested area. Notice must be mailed to the owner of the tract of land according to the most current tax appraisal rolls of the applicable central appraisal district at the time the application was filed.

- e. Any affected customers, and other affected parties in the requested area.

Addresses can be obtained from the Water Utility Database at <http://www.puc.texas.gov/watersearch>. District information and addresses can be obtained from the Texas Commission on Environmental Quality's (TCEQ) web site located at <http://www14.tceq.texas.gov/iwud/>.

- 2) Publish notice in a newspaper having general circulation in each county where the uncertificated requested area is located, once each week for two consecutive weeks. Proof in the form of a publisher's affidavit and tear sheets must be filed within 30 days of the publication date. The affidavit must state with specificity each county in which the newspaper is of general circulation.
- 3) Provide notice using the attached notice forms.
- 4) Provide a copy of a map delineating the requested area with each individual notice to neighboring utilities, other affected parties, landowners and customers.

- 5) File in the docket within 30 days of the date the notice was mailed a copy of the notice and map provided along with the signed affidavit specifying every person and entity to whom notice was provided, and the date that the notice was provided.

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 CSWR-Texas and Oak Hills. CSWR-Texas and Oak Hills will have 20 days from the receipt of the RFI to respond.

Notice to Current Customers, Neighboring Systems, and Cities

CSWR-TEXAS UTILITY OPERATING COMPANY, LLC, CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO. 13290, NOTICE OF INTENT TO PURCHASE WATER FACILITIES AND TO TRANSFER WATER SERVICE AREA UNDER CCN NO. 12051 FROM OAK HILLS RANCH ESTATES IN GUADALUPE AND WILSON COUNTIES, TEXAS

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

(Address)

(City State Zip)

CSWR-Texas Utility Operating Co. 1650 Des Peres Rd. St. Louis, MO 63131
(Purchaser's Name) (Address) (City), (State) (Zip Code)

has submitted an application with the Public Utility Commission of Texas (Commission) to purchase Oak Hills Ranch Estates Water Company water facilities and to transfer water certificated service area under CCN No. 12051 in Guadalupe and Wilson Counties, TX from:

Oak Hill Ranch Estates P.O. Box 1866 Seguin, TX 78156
(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:
Oak Hills Ranch Estates, Oak Hills Ranchettes, Forest Oak Ranches & Ecletto Creek Ranchettes.

The requested area subject to this transaction is located approximately 8 miles east of downtown La Vernia, Texas, and is generally bounded on the north by a line approximately 1.5 miles north of Guadalupe/Wilson; on the east by SH 123; on the south by Longhorn Road; and on the west by a line approximately 2 miles west of SH 123. The total requested area for the water CCNs being transferred includes approximately 1,857 acres and 196 current 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.

A landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the requested area, may file a written request with the Commission to be excluded from the requested area ("opt out") within (30) days from the date that notice was provided by the Utility. All opt out requests must include a large-scale map, a metes and bounds description of the landowner's tract of land, landowner's name, address, email address and fax number, if applicable.

Persons who wish to request this option should file the required documents with the:

Public Utility Commission of Texas
Central Records
1701 N. Congress, P. O. Box 13326
Austin, TX 78711-3326

In addition, the landowner must also send a copy of the opt out request to the Utility. Staff may request additional information regarding your request.

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. 51003

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

Notice for Publication

NOTICE OF APPLICATION TO AMEND A CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN GUADALUPE AND WILSON COUNTIES, TEXAS

CSWR-Texas Utility Operating Company, LLC has submitted an application with the Public Utility Commission of Texas (Commission) to purchase Oak Hills Ranch Estates Water Company water facilities and to transfer water certificated service area under CCN No. 12051 in Guadalupe and Wilson Counties, TX.

The requested area overlaps the district boundaries of the Evergreen Underground Water Conservation District and Guadalupe County Groundwater Conservation District. If Evergreen Underground Water Conservation District and Guadalupe County Groundwater Conservation District do not request a public hearing, the Commission shall determine that the district is consenting to the CSWR's request to provide retail Water utility service in the requested area.

The requested area subject to this transaction is located approximately 8 miles east of downtown La Vernia, Texas, and is generally bounded on the north by a line approximately 1.5 miles north of Guadalupe/Wilson; on the east by SH 123; on the south by Longhorn Road; and on the west by a line approximately 2 miles west of SH 123. The total requested area for the water CCNs being transferred includes approximately 1,857 acres and 196 current customers.

A copy of the map showing the requested area is available at: Coffin Renner LLP, 1011 West 31st Street, Austin, Texas 78705

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.

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Si desea información en español, puede llamar al 1-888-782-8477.

PUBLIC UTILITY COMMISSION OF TEXAS



PUBLISHER'S AFFIDAVIT
DOCKET NO. 51003

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 _____