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APPLICATION OF DONALD E. WILSON §
D/B/A QUIET VILLAGE II D/B/A QV §
UTILITY AND CSWR-TEXAS UTILITY §
OPERATING COMPANY, LLC FOR §
SALE, TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN HIDALGO COUNTY §

BEFORE THE
PUBLIC UTILITY COMMISSION
OF TEXAS

**CSWR-TEXAS UTILITY OPERATING COMPANY, LLC'S
FIRST SUPPLEMENT TO APPLICATION**

CSWR-Texas Utility Operating Company, LLC ("CSWR Texas" or the "Company") submits this First Supplement to its Application. After consulting with Staff of the Public Utility Commission of Texas, the Company is providing the following supplemental information:

- an address in Austin, Texas where a map of the proposed area can be viewed, included in the attached supplemental page 12 of the Company's application;
- a supplemental response to question No. 26 in the application, included in the attached supplemental page to Attachment K to the application, with an updated reference on the attached supplemental page 10 to the application;
- a copy of the treated water purchase agreement between this system and the North Alamo Water Supply Company is included as Confidential Attachment P to the application. This attachment will be provided in accordance with the terms of the protective order in this docket; and
- a Supplemental Attachment O is attached to include Confidential Attachment P.

Respectfully submitted,

L. Russell Mitten
General Counsel
Central States Water Resources, Inc.
1650 Des Peres Rd., Suite 303
St. Louis, MO 63131
(314) 380-8595
(314) 763-4743 (Fax)

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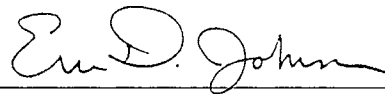


Evan D. Johnson
State Bar No. 24065498
Kate Norman
State Bar No. 24051121
C. Glenn Adkins
State Bar No. 24103097
Coffin Renner LLP
1011 W. 31st Street
Austin, Texas 78705
(512) 879-0900
(512) 879-0912 (fax)
evan.johnson@crtxlaw.com
kate.norman@crtxlaw.com
glenn.adkins@crtxlaw.com

ATTORNEYS FOR CSWR, LLC

CERTIFICATE OF SERVICE

I hereby certify that on this 3rd day of November 2020, a true and correct copy of the foregoing document was served on all parties of record via electronic mail in accordance with the Order Suspending Rules issued in Project No. 50664.



Evan D. Johnson

26. A. Does the system being transferred purchase water or sewer treatment capacity from another source?

No Yes: If yes, attach a copy of purchase agreement or contract.

Capacity is purchased from: _____

See Attachment P and Supplemental Attachment K at response to Question 26.

Water: North Alamo Water Supply Company

Sewer: The City of Donna

B. Is the PWS required to purchase water to meet capacity requirements or drinking water standards?

No Yes

C. What is the amount of water supply or sewer treatment purchased, per the agreement or contract? What is the percent of overall demand supplied by purchased water or sewer treatment (if any)?

	Amount in Gallons	Percent of demand
Water:		100.00%
Sewer:		100.00%

D. Will the purchase agreement or contract be transferred to the Transferee?

No Yes:

27. Does the PWS or sewer treatment plant have adequate capacity to meet the current and projected demands in the requested area?

No Yes: **See Attachment J.**

28. List the name, class, and TCEQ license number of the operator that will be responsible for the operations of the water or sewer utility service:

Name (as it appears on license)	Class	License No.	Water or Sewer
Zachary King	C	WG-0010543	Water
Timothy Young	A	WO-0029245	Water
Professional General Management Services Inc		WC0000203	Water

Part G: Mapping & Affidavits

ALL applications require mapping information to be filed in conjunction with the STM application. Read question 29 A and B to determine what information is required for your application.

29. A. For applications requesting to transfer an entire CCN, without a CCN boundary adjustment, provide the following mapping information with each of the seven (7) copies of the application: **See Attachments L & M**

1. A general location (small scale) map identifying the requested area in reference to the nearest county boundary, city, or town. The following guidance should be adhered to:
 - i. If the application requests to transfer certificated service areas for both water and sewer, separate maps must be provided for each.
 - ii. A hand drawn map, graphic, or diagram of the requested area is not considered an acceptable mapping document.

Part H: Notice Information

The following information will be used to generate the proposed notice for the application.
DO NOT provide notice of the application until it is found sufficient and the Applicants are ordered to provide notice.

30. Complete the following using verifiable man-made or natural landmarks such as roads, rivers, or railroads to describe the requested area (to be stated in the notice documents). Measurements should be approximated from the outermost boundary of the requested area:

The total acreage of the requested area is approximately: 18.50

Number of customer connections in the requested area: 165

Affected subdivision : Quiet Village

The closest city or town: Donna

Approximate mileage to closest city or town center: 1

Direction to closest city or town: East

The requested area is generally bounded on the North by: N Quiet Village Drive

on the East by: E Quiet Village Drive

on the South by: S Quiet Village Drive

on the West by: W Quiet Village Drive

31. A copy of the proposed map will be available at: Coffin Renner LLP, 1011 West 31st St , Austin, Texas 78705

32. What effect will the proposed transaction have on an average bill to be charged to the affected customers? Take into consideration the average consumption of the requested area, as well as any other factors that would increase or decrease a customer's monthly bill.

All of the customers will be charged the same rates they were charged before the transaction.

All of the customers will be charged different rates than they were charged before the transaction.

higher monthly bill lower monthly bill

Some customers will be charged different rates than they were charged before (i.e. inside city limit customers)

higher monthly bill lower monthly bill

Attachment K

26. Attach a copy of purchase agreement or contract.

The public water system being transferred purchases treated drinking water from North Alamo Water Supply Company ("North Alamo") through a master meter that supplies the water to the distribution system. The purchase of the treated drinking water is documented through a purchase agreement with North Alamo, which was filed as Attachment P to the Application as part of the supplement to the application filed on November 3, 2020 and also provided in response to Staff RFI 1-1 on October 30, 2020.

The sewer system being transferred purchases wastewater treatment from the city of Donna. However, North Alamo is responsible for billing Quiet Village for the services provided by the city. Based on information provided by the current owner of the system, there is not contract or purchase agreement between the City of Donna and the current owner of the system. Quiet Village is billed for these services by North Alamo as part of its water purchase agreement, described above.

**Attachment P is Confidential and
will be provided pursuant to the
Protective Order**

Statement of Confidentiality

Pursuant to the Commission's standard protective order, CSWR-Texas Utility Operating Company, LLC ("CSWR Texas") is designating certain materials filed as part of its application as Protected Materials. The undersigned counsel for CSWR Texas has reviewed the information sufficiently to state in good faith that the information is exempt from public disclosure under the Public Information Act and merits the Protected Materials designation or Highly Sensitive Protected Material designation given below.

Confidential Attachment F contains the consolidated financial statements of CSWR, LLC and subsidiaries, including an independent auditor's report. This information is not publicly available, is commercially sensitive, and public disclosure of the information would cause substantial competitive harm to CSWR Texas and its subsidiaries. Any other entity that seeks to acquire water utilities in Texas and elsewhere could use the financial information to its competitive advantage, to the detriment of CSWR, LLC and its subsidiaries. Accordingly, the information contained in Attachment F is exempt from public disclosure under Tex. Gov't Code §§ 552.101, 552.104 and 552.110 and merits the Protected Material information.

Highly Sensitive Attachment G contains projected financial information for the acquired system, including information from which the purchase price could be ascertained; consolidated financial statements for CSWR Texas's parent company, CSWR, LLC, and its subsidiaries; combined financial projections for other systems that CSWR Texas is in the process of acquiring; and information regarding CSWR, LLC's financial positions. This information is not publicly available, is commercially sensitive, and public disclosure of the information would cause substantial competitive harm to CSWR, LLC and its subsidiaries, including CSWR Texas. Any other entity that seeks to acquire water utilities in Texas and elsewhere could use the financial information to its competitive advantage, to the detriment of CSWR, LLC and its subsidiaries. Accordingly, the information contained in Attachment G is exempt from public disclosure under Tex. Gov't Code §§ 552.101, 552.104 and 552.110 and merits the Protected Material information.

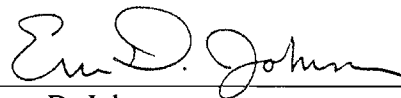
Confidential Attachment H contains engineering assessments and a capital improvement plan that is deemed by a third-party engineering firm to be proprietary information. Public disclosure of the information would cause substantial competitive harm to the engineering firm by allowing other engineering companies to copy the firm's methods and analyses. Public disclosure could also negatively impact the engineering firm's willingness to perform services for CSWR

Texas in the future. Accordingly, the information contained in Confidential Attachment H is exempt from public disclosure under Tex. Gov't Code §§ 552.101 and 552.104.

Confidential Attachment I-1 contains correspondence between the TCEQ and the Company that reveals the identity of potential acquisitions by CSWR Texas that are not otherwise publicly available. This information is not publicly available, is commercially sensitive, and public disclosure of the information would cause substantial competitive harm to CSWR Texas and its affiliates. Accordingly, the information contained in Confidential Attachment I-1 is exempt from public disclosure under Tex. Gov't Code §§ 552.101 and 552.104.

Confidential Attachment J is an engineering report that is the proprietary information of a third-party engineering firm. Public disclosure of the information would cause substantial competitive harm to the engineering firm by allowing other engineering companies to copy the firm's methods and analyses. Public disclosure could also negatively impact the engineering firm's willingness to perform services for CSWR Texas in the future. Accordingly, the information contained in Confidential Attachment J is exempt from public disclosure under Tex. Gov't Code §§ 552.101 and 552.104.

Confidential Attachment P is an agreement between third parties that has been designated as confidential by the parties to the agreement. The public disclosure of the information would cause substantial competitive harm to CSWR, LLC and its subsidiaries, including CSWR Texas. Accordingly, the information contained in Confidential Attachment P is exempt from public disclosure under Tex. Gov't Code §§ 552.101 and 552.104.



Evan D. Johnson

ATTORNEY FOR CSWR, LLC