

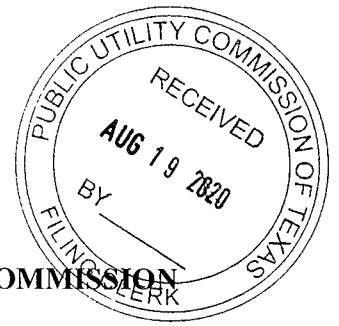


Control Number: 51089



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**DOCKET NO. 51089**

**APPLICATION OF DONALD E. WILSON DBA QUIET VILLAGE II DBA QV UTILITY AND CSWR-TEXAS UTILITY OPERATING COMPANY, LLC FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN HIDALGO COUNTY** §  
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**PUBLIC UTILITY COMMISSION OF TEXAS**

**COMMISSION STAFF’S REQUEST FOR ABATEMENT**

**COMES NOW** the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and in response to Order No. 1, files this Request for Abatement. In support thereof, Staff shows the following:

**I. BACKGROUND**

On July 20, 2020, Donald E. Wilson dba Quiet Village II dba QV Utility (QV Utility) and CSWR-Texas Utility Operating Company, LLC (CSWR), (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Burleson County. Supplemental application materials were filed on July 27, 2020.

On July 23, 2020, Order No. 1 was issued, setting a deadline of August 21, 2020 for Staff to file comments on the administrative completeness of the application and propose a procedural schedule. Therefore, this pleading is timely filed.

**II. REQUEST FOR ABATEMENT**

Staff respectfully requests the abatement of this case until Docket Nos. 51036, 51047, and 51065 have all been deemed administratively complete. To date, CSWR has now filed a total of fifteen STM applications with the Commission as shown in the table below. Because all of these dockets involve the same buyer, they will result in multiple amendments to the same water and sewer CCNs and tariffs. As such, Staff, the applicants, and the Office of Policy and Docket Management will need to work in concert to ensure that the approval of these dockets are sequenced in a manner that matches the proposed maps and tariffs prepared by Staff and consented to by the applicants in each docket.

To assist with the logistics, Staff has developed a comprehensive plan to review these dockets in four groups as follows:

| Group | Dockets  |
|-------|--|
| 1     | 50251, 50276, 50311 <sup>1</sup>               |
| 2     | 50989, 51003, 51026, 51031 <sup>2</sup>        |
| 3     | 51036, 51047, 51065 <sup>3</sup>               |
| 4     | 51089, 51118, 51126, 51130, 51146 <sup>4</sup> |

As part of this plan, Staff is requesting abatement of the deadline for its recommendation on sufficiency of the application in the instant docket until 14 days after the order finding the last of

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<sup>1</sup> *Application of JRM Water LLC and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Victoria County, Docket No. 50251 (pending); Application of North Victoria Utilities, Inc. and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Victoria County, Docket No. 50276 (pending); Application of Copano Heights Water Company and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Aransas County, Docket No. 50311 (pending).*

<sup>2</sup> *Application of Ranch Country of Texas Water Systems, Inc. and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Austin County, Docket No. 50989 (pending); 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, Docket No. 51003 (pending); Application of Tall Pines Utility, Inc. and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Harris County, Docket No. 51026 (pending); Application of Council Creek Village, Inc dba Council Creek Village dba South Council Creek 2 and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Burnet County, Docket No. 51031 (pending).*

<sup>3</sup> *Application of Kathie Lou Daniels dba Woodlands West and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Bureson County, Docket No. 51036 (pending); Application of Jones-Owen Company dba South Silver Creek I, II, and III and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Travis County, Docket No. 51047 (pending); Application of Treetop Utilities, Inc and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Parker County, Docket No. 51065 (pending).*

<sup>4</sup> *Application of Donald E Wilson dba Quiet Village II dba QV Utility and CSWR-Texas Utility Operating Company for Sale, Transfer, or Merger of Facilities and Certificate Rights in Hidalgo County, Docket No. 51089 (pending); Application of Shady Oaks Water Supply Company, LLC and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Wilson County, Docket No. 51118 (pending); Application of Shawn M. Horvath dba Aero Valley Water Service and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Denton County, Docket No. 51126 (pending); Application of Laguna Vista Limited and Laguna Tres, Inc and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Hood County, Docket No. 51130 (pending); Application of Abraxas Corporation and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Parker County, Docket No. 51146 (pending).*

Docket Nos. 51036, 51047, or 51065 (Group 3) administratively complete has been issued. For example, if Docket No. 51036 is the last docket to be found administratively complete, then Staff's recommendation on sufficiency in this case would be due 14 days after the date the order is issued in Docket No. 51036.

Staff is not seeking this abatement to unduly delay the processing of this docket. Staff asserts that timing the processing of CSWR's STM applications in a manner that abates the dockets in a grouping until all of the dockets in the preceding grouping are found sufficient is the best way to keep these dockets on track for administrative approval. Otherwise, one or more dockets could require referral to the State Office of Administrative Hearings due to the 120-day timeline under 16 TAC § 24.239(a) and (j). Further, Staff believes that its proposed plan balances the need to timely process each application, with the need for a complete review of CSWR's financial, managerial, and technical capability. Such a review is warranted because CSWR is a new entrant into the Texas water industry and is proposing to acquire a large number of utilities in a relatively short time frame.<sup>5</sup>

### **III. CONCLUSION**

For the reasons discussed above, Staff respectfully requests that an order be issued abating this proceeding until Docket Nos. 51036, 51047, and 51065 have all been deemed administratively complete.

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<sup>5</sup> It is Staff's understanding that CSWR has plans to acquire approximately 30 utilities.

Date: August 19, 2020

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

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**DOCKET NO. 51089**

**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 August 19, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ John Harrison  
John Harrison



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**DOCKET NO. 49059**

**PETITION OF MALONE ADDITION §  
WATER SYSTEM TO DISCONTINUE §  
WATER SERVICE AND CANCEL ITS §  
CERTIFICATE OF CONVENIENCE §  
AND NECESSITY §**

**PUBLIC UTILITY COMMISSION  
OF TEXAS**

**COMMISSION STAFF'S THIRD SUPPLEMENTAL RECOMMENDATION  
ON SUFFICIENCY OF NOTICE**

**COMES NOW** the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and files this Third Supplemental Recommendation on Sufficiency of Notice. In support, Staff shows the following:

**I. BACKGROUND**

On January 2, 2019, Malone Addition Water System (Malone Addition) filed with the Commission a petition to discontinue water service and cancel its water certificate of convenience and necessity (CCN) No. 12534 in Travis County, Texas pursuant to Texas Water Code (TWC) § 13.254(b) and the 16 Texas Administrative Code (TAC) § 24.249.

On December 6, 2019, the administrative law judge (ALJ) found the application sufficient. On January 21, 2020, Staff recommended that Malone Addition's notice be found deficient, and on January 22, 2020, the ALJ issued Order No. 8, which ordered Malone Addition to cure the deficiencies identified in Staff's recommendation and set a deadline of March 2, 2020 for Staff to file a supplemental recommendation on sufficiency of notice. In response, Staff again recommended that notice be found deficient, and the ALJ issued Order No. 9, which required Malone Addition to cure the deficiencies identified in Staff's recommendation and required Staff to file a supplemental recommendation on notice by April 15, 2020. On April 15, 2020, Staff once more recommended that notice be found insufficient, and, on April 16, 2020, the ALJ issued Order No. 10, which found notice deficient, directed Malone Addition to cure the deficiencies, and ordered Staff to file an additional supplemental recommendation on notice by May 27, 2020.

On May 27, 2020, Staff moved for dismissal without prejudice, and on June 3, 2020, the ALJ issued Order No. 11, which required Malone Addition to file proof of notice by June 26, 2020. Malone Addition filed such proof on June 18, 2020, and Staff now submits this supplemental recommendation on the sufficiency of Malone Addition's notice.

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## II. RECOMMENDATION ON SUFFICIENCY OF NOTICE

Notice requirements for a utility seeking to cease operations are governed by 16 TAC § 24.249(b)-(e). On September 27, 2019, Malone Addition provided proof that all of its former customers were receiving service from the City of Austin. Because Malone Addition has no existing customers, Staff did not recommend that Malone Addition provide customer notice. Staff has reviewed the proof of notice filed by Malone Addition on June 18, 2020 and recommends that Malone Addition's notice be deemed sufficient.

## III. PROPOSED PROCEDURAL SCHEDULE

Based on the recommendation above, Staff proposes the following procedural schedule for further processing of this docket:

| Event   | Date                      |
|---|---------------------------|
| Notice completed  | June 4, 2020 <sup>1</sup> |
| Deadline to request a hearing   | July 6, 2020 <sup>2</sup> |
| Deadline for Commission Staff to file a final recommendation on the petition  | September 1, 2020         |
| Deadline for parties to propose joint findings of fact and conclusions of law | September 11, 2020        |

## IV. CONCLUSION

For the reasons stated above, Staff respectfully recommends that Malone Addition's notice be deemed sufficient and requests that the procedural schedule proposed above be adopted for further processing of this docket.

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<sup>1</sup> Notice was mailed on May 22, 2020. Notice was published on May 28 and June 4, 2020. Therefore, Malone Addition's notice was completed on June 4, 2020.

<sup>2</sup> Pursuant to 16 TAC § 24.249(f), the Commission may consider the petition for final decision without further hearing "if no hearing is requested by the 30th day after the required notice is mailed or published, whichever occurs later . . ." Notice was mailed on May 22, 2020 and published on May 28 and June 4, 2020. Thirty days after June 4, 2020 is Saturday, July 4, 2020. Because the Commission was closed on July 4, 2020, the deadline to request a hearing is the next business day, which was July 6, 2020.



Dated: August 17, 2020

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

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**DOCKET NO. 49059**

**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 August 17, 2020 in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Merritt Lander  
Merritt Lander