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DOCKET NO. 50276

2020 AUG 20 AM 11:40

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	§ § § § § §	PUBLIC UTILITY COMMISSION CLERK OF TEXAS
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ORDER NO. 8

DOCKET NO. 50311

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	§ § § § § §	PUBLIC UTILITY COMMISSION OF TEXAS
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ORDER NO. 8

DOCKET NO. 50989

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	§ § § § § §	PUBLIC UTILITY COMMISSION OF TEXAS
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ORDER NO. 2

**DOCKET NO. 51003**

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

**ORDER NO. 3**

**DOCKET NO. 51026**

<b>APPLICATION OF TALL PINES</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>UTILITY, INC. AND CSWR-TEXASS</b>	<b>§</b>	
<b>UTILITY OPERATING COMPANY,</b>	<b>§</b>	<b>OF TEXAS</b>
<b>LLC FOR SALE, TRANSFER, OR</b>	<b>§</b>	
<b>MERGER OF FACILITIES AND</b>	<b>§</b>	
<b>CERTIFICATE RIGHTS IN HARRIS</b>	<b>§</b>	
<b>COUNTY</b>	<b>§</b>	

**ORDER NO. 3**

**DOCKET NO. 51031**

<b>APPLICATION OF COUNCIL CREEK</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>VILLAGE, INC. DBA COUNCIL</b>	<b>§</b>	
<b>CREEK VILLAGE DBA SOUTH</b>	<b>§</b>	<b>OF TEXAS</b>
<b>COUNCIL CREEK 2 AND CSWR</b>	<b>§</b>	
<b>TEXAS UTILITY OPERATING</b>	<b>§</b>	
<b>COMPANY, LLC FOR SALE,</b>	<b>§</b>	
<b>TRANSFER, OR MERGER OF</b>	<b>§</b>	
<b>FACILITIES AND CERTIFICATE</b>	<b>§</b>	
<b>RIGHTS IN BURNET COUNTY</b>	<b>§</b>	

**ORDER NO. 3**

**DOCKET NO. 51036**

<b>APPLICATION OF KATHIE LOU</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>DANIELS DBA WOODLANDS WEST</b>	<b>§</b>	
<b>AND CSWR TEXAS UTILITY</b>	<b>§</b>	<b>OF TEXAS</b>
<b>OPERATING COMPANY, LLC FOR</b>	<b>§</b>	
<b>SALE, TRANSFER, OR MERGER OF</b>	<b>§</b>	
<b>FACILITIES AND CERTIFICATE</b>	<b>§</b>	
<b>RIGHTS IN BURLESON COUNTY</b>	<b>§</b>	

**ORDER NO. 2**

**DOCKET NO. 51047**

<b>APPLICAITON OF JONES-OWEN</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>COMPANY DBA SOUTH SILVER</b>	<b>§</b>	
<b>CREEK I, II, AND III AND CSWR-</b>	<b>§</b>	<b>OF TEXAS</b>
<b>TEXAS UTILITY OPERATING</b>	<b>§</b>	
<b>UTILITY COMPANY, LLC FOR SALE,</b>	<b>§</b>	
<b>TRANSFER, OR MERGER OF</b>	<b>§</b>	
<b>FACILITIES AND CERTIFICATE</b>	<b>§</b>	
<b>RIGHTS IN TRAVIS COUNTY</b>	<b>§</b>	

**ORDER NO. 2**

**DOCKET NO. 51065**

<b>APPLICATION OF TREETOP</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>UTILITIES, INC. AND CSWR-TEXAS</b>	<b>§</b>	
<b>UTILITY OPERATING COMPANY,</b>	<b>§</b>	<b>OF TEXAS</b>
<b>LLC FOR SALE, TRANSFER, OR</b>	<b>§</b>	
<b>MERGER OF FACILITIES AND</b>	<b>§</b>	
<b>CERTIFICATE RIGHTS IN PARKER</b>	<b>§</b>	
<b>COUNTY</b>	<b>§</b>	

**ORDER NO. 4**

**DOCKET NO. 51089**

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

**ORDER NO. 2**

**DOCKET NO. 51118**

<b>APPLICATION OF SHADY OAKS</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>WATER SUPPLY COMPANY, LLC</b>	<b>§</b>	
<b>AND CSWR-TEXAS OPERATING</b>	<b>§</b>	<b>OF TEXAS</b>
<b>COMPANY, LLC FOR SALE,</b>	<b>§</b>	
<b>TRANSFER, OR MERGER OF</b>	<b>§</b>	
<b>FACILITIES AND CERTIFICATE</b>	<b>§</b>	
<b>RIGHTS IN WILSON COUNTY</b>	<b>§</b>	

**ORDER NO. 2**

**DOCKET NO. 51126**

<b>APPLICATION OF SHAWN M.</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>HORVATH DBA AERO VALLEY</b>	<b>§</b>	
<b>WATER SERVICE AND CSWR-TEXAS</b>	<b>§</b>	<b>OF TEXAS</b>
<b>UTILITY OPERATING COMPANY,</b>	<b>§</b>	
<b>LLC FOR SALE, TRANSFER, OR</b>	<b>§</b>	
<b>MERGER OF FACILITIES AND</b>	<b>§</b>	
<b>CERTIFICATE RIGHTS IN DENTON</b>	<b>§</b>	
<b>COUNTY</b>	<b>§</b>	

**ORDER NO. 4**

**DOCKET NO. 51130**

<b>APPLICATION OF LAGUNA VISTA</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>LIMITED AND LAGUNA TRES, INC.</b>	<b>§</b>	
<b>AND CSWR-TEXAS UTILITY</b>	<b>§</b>	<b>OF TEXAS</b>
<b>OPERATING COMPANY, LLC FOR</b>	<b>§</b>	
<b>SALE, TRANSFER, OR MERGER OF</b>	<b>§</b>	
<b>FACILITIES AND CERTIFICATE</b>	<b>§</b>	
<b>RIGHTS IN HOOD COUNTY</b>	<b>§</b>	

**ORDER NO. 3**

**DOCKET NO. 51146**

<b>APPLICATION OF ABRAXAS</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>CORPORATION AND CSWR-TEXAS</b>	<b>§</b>	
<b>UTILITY OPERATING COMPANY,</b>	<b>§</b>	<b>OF TEXAS</b>
<b>LLC FOR SALE, TRANSFER, OR</b>	<b>§</b>	
<b>MERGER OF FACILITIES AND</b>	<b>§</b>	
<b>CERTIFICATE RIGHTS IN PARKER</b>	<b>§</b>	
<b>COUNTY</b>	<b>§</b>	

**ORDER NO. 2**

### **ORDER DIRECTING ADMINISTRATIVE PROCESS**

This order addresses the sale, transfer, merger (STM) applications involving CSWR-Texas Utility Operating Company, LLC filed with the Commission from November 18, 2019 through August 6, 2020; specifically Docket Nos. 50276, 50311, 50989, 51003, 51026, 51031, 51036, 51047, 51065, 51089, 51118, 51126, 51130, and 51146. Commission Staff has identified concerns regarding processing this large number of applications, including concerns regarding maintaining the accuracy of the maps as Commission Staff reviews the applications. The administrative law judge (ALJ) agrees that the simultaneous processing of multiple STM applications involving CSWR has the potential to create logistical hurdles and confusion as to the proper analysis and facts to be applied when evaluating each application. In order to reduce, in part, the possibility of confusion, all of the above cases have been reassigned to the undersigned ALJ.

The ALJ is of the opinion that these applications are inextricably intertwined with one another, such that the analysis in each subsequent application requires consideration of the ones that preceded it. For example, in Docket No. 50251, CSWR plans to purchase from JRM Water LLC a water system that serves 438 acres and 211 customers in Victoria County. When Commission Staff formulated its recommendation as to whether the transaction in Docket No. 50251 should be allowed to proceed, it analyzed and applied the relevant legal factors to determine whether CSWR has the wherewithal to serve a water system of 438 acres and 211 customers in Victoria County.

The ALJ believes that, when Commission Staff formulates its recommendations in each subsequent CSWR STM case, it should do in a cumulative manner; that is, by also considering the recommendations it has already made in any prior cases. In Docket No. 50276, CSWR plans to purchase from North Victoria Utilities, Inc. a water system that serves 307 acres and 77 customers in Victoria County. Thus, assuming that Docket No. 50276 is the next case in which Commission Staff formulates its recommendation as to whether the transaction in should be allowed to proceed, Commission Staff should analyze whether CSWR has the wherewithal to serve:

- a water system of 307 acres and 77 customers in Victoria County (i.e., the water system being purchased in Docket No. 50276); *plus*
- a water system of 438 acres and 211 customers in Victoria County (i.e., the water system being purchased in Docket No. 50251).

Using this approach, each subsequent Commission Staff recommendation will take into account all prior cases in which Staff is recommending that the transaction should be allowed to proceed. By the time Commission Staff considers the last of the 15 applications, Commission Staff will be formulating its recommendation as to whether the transaction should be allowed to proceed by analyzing whether CSWR has the wherewithal to serve all of the systems being acquired in all 15 dockets.

The parties are ordered to process these cases in the manner described above.

**Signed at Austin, Texas the 20 day of August 2020.**

**PUBLIC UTILITY COMMISSION OF TEXAS**



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**KATIE MOORE**  
**ADMINISTRATIVE LAW JUDGE**