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**DOCKET NO. 51118**

**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**

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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 files this Request for Abatement. In support thereof, Staff shows the following:

**I. BACKGROUND**

On July 24, 2020, Shady Oaks Water Supply Company, LLC (Shady Oaks WSC) 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 Wilson County.

On July 29, 2020, Order No. 1 was issued, setting a deadline of August 24, 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 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.

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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 Burlinson 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 Quet 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).

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 granting the requested abatement.

Dated: August 19, 2020

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

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/s/ Megan Chalifoux

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

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

/s/ Megan Chalifoux\_\_\_\_\_

Megan Chalifoux