



Control Number: 51192



Item Number: 4

Addendum StartPage: 0



**DOCKET NO. 51192**

**APPLICATION OF WHISPERING  
OAKS WATER WORKS AND  
MIBROMA 3 LLC FOR SALE,  
TRANSFER, OR MERGER OF  
FACILITIES AND CERTIFICATE  
RIGHTS IN GILLESPIE COUNTY**

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**PUBLIC UTILITY COMMISSION  
OF TEXAS**

**COMMISSION STAFF'S RECOMMENDATION ON ADMINISTRATIVE  
COMPLETENESS AND PROPOSED NOTICE**

**COMES NOW** the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and in response to Order No. 1, files this Recommendation on Administrative Completeness and Proposed Notice. Staff recommends that the application be deemed administratively incomplete and that the applicants be ordered to address the identified deficiencies. In support thereof, Staff shows the following:

**I. BACKGROUND**

On August 19, 2020, MiBroMa 3 LLC (MiBroMa) and Whispering Oaks Water Works (Whispering Oaks) (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Gillespie County. Specifically, Whispering Oaks seeks to sell and transfer all of its facilities and water service area under Certificate of Convenience and Necessity (CCN) No. 12446 to MiBroMa; MiBroMa will retain CCN No. 12446. The requested area includes approximately 51 acres and 69 connections.

On August 27, 2020, the administrative law judge (ALJ) issued Order No. 1, establishing a deadline of September 21, 2020 for Staff to file comments on the administrative completeness of the application and proposed notice. Therefore, this pleading is timely filed.

**II. ADMINISTRATIVE COMPLETENESS**

Staff has reviewed the application, and as detailed in the attached memorandum from Alicia Maloy in the Commission's Infrastructure Division, Staff recommends that it be found administratively incomplete. Specifically, Staff has identified deficiencies in the application's content. Staff recommends that the Applicants be ordered to submit the additional application content described in the attached memorandum.

### **III. COMMENTS ON PROCEDURAL SCHEDULE**

In accordance with Staff's deficiency recommendation, Staff does not propose a procedural schedule for further processing of the docket at this time. Staff recommends that the Applicants be ordered to cure the deficiencies identified in Ms. Maloy's memorandum by October 19, 2020, and that Staff be given a deadline of November 19, 2020 to file a supplemental recommendation on the administrative completeness of the application. Staff notes that the Applicants should not issue notice until the application is found administratively complete. Staff intends to propose a procedural schedule alongside a subsequent recommendation for application sufficiency.

### **IV. CONCLUSION**

For the reasons stated above, Staff respectfully recommends that the application be found administratively incomplete and that the Applicants be ordered to file a supplement addressing the identified deficiencies in the application by October 19, 2020.

Dated: September 21, 2020

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

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/s/ Daniel Moore  
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**DOCKET NO. 51192**

**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 September 21, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Daniel Moore  
Daniel Moore

# *Public Utility Commission of Texas*

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## **Memorandum**

**To:** Daniel Moore, Attorney  
Legal Division

**From:** Alicia Maloy, Senior Infrastructure Analyst  
Infrastructure Division

**Date:** September 21, 2020

**Subject:** **Docket No. 51192**, *Application of Whispering Oaks Water Works and MiBroMa 3 LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Gillespie County*

On August 19, 2020, MiBroMa 3 LLC (MiBroMa 3 or Purchaser) and Whispering Oaks Water Works (Whispering Oaks or Seller) (collectively, Applicants) filed an application for Sale, Transfer, or Merger (STM) of facilities and certificate rights in Gillespie County, Texas, under Texas Water Code (TWC) § 13.301 and 16 Texas Administrative Code (TAC) § 24.239.

Specifically, MiBroMa 3 seeks approval to acquire facilities and to transfer all of the service area under Whispering Oaks's water Certificate of Convenience and Necessity (CCN) No. 12446 and retain the Seller's CCN number. The requested area includes approximately 51 acres and 69 connections.

Staff from the Rate Regulation Division and Infrastructure Division have reviewed the information provided by the Applicants and recommend that the application be deemed administratively incomplete and not accepted for filing due to the deficiencies detailed below.

### **Application Content:**

Staff recommends that Applicants provide the following:

1. A copy of the most recent Texas Commission on Environmental Quality inspection report for the Whispering Oaks Water Works system.
2. Legal Status
  - a. A copy of MiBroMa 3's Certification of Account Status from the Texas Comptroller.
  - b. MiBroMa 3's Corporation's Charter number from the Texas Secretary of State.

### **Financial Information:**

1. Correct the answers to application question no. 14 in accordance with the instructions included with the question so that debits equal credits for the accounting entry and the sum of the debits and credits equal zero.
2. Provide a list of each plant in service item supporting the totals reported in application question number 11. B. For each plant in service item, include the following:
  - a) Date in service,
  - b) Original cost, and
  - c) Accumulated depreciation.
3. Provide the 2 most recent years of financial statements, including balance sheet and income

statements for MiBroMA 3.

4. Provide complete and accurate answers for Appendix A (page 16), years 1 through 5 on the projected income statement, and provide a list of all assumptions and calculations used for the projections.

Note: Any confidential items should be submitted as confidential filings with the PUC. The instructions for filing confidential documents can be found on our website at: (<http://www.puc.texas.gov/industry/filings/FilingProceed.aspx>).