



Filing Receipt

Received - 2021-10-20 10:00:01 AM

Control Number - 51359

ItemNumber - 38

DOCKET NO. 51359

APPLICATION OF G&W WATER	§	
SUPPLY CORPORATION AND THE	§	PUBLIC UTILITY COMMISSION
CITY OF HEMPSTEAD TO	§	
DISCONTINUE WATER SERVICE AND	§	OF TEXAS
DECERTIFY A PORTION OF G&W	§	
WATER SUPPLY CORPORATION'S	§	
CERTIFICATE OF CONVENIENCE AND	§	
NECESSITY IN WALLER COUNTY	§	

JOINT MOTION TO ADMIT EVIDENCE & PROPOSED NOTICE OF APPROVAL

On September 23, 2021, the City of Hempstead (Hempstead) and G&W Water Supply Corporation (G&W WSC) (collectively, Applicants) filed an application with the Staff (Staff) of the Public Utility Commission (Commission) (collectively, the Parties) for sale, transfer, or merger (STM) of facilities and certificate rights in Waller County, Texas. On August 13, 2021 Staff filed a Recommendation on Further Processing of the Application and Motion to Restyle. Staff determined that the transaction involves a decertification of service area in exchange for compensation under 16 Texas Administrative Code (TAC) § 24.239. The area includes approximately 120 acres and 0 connections.

On August 24, 2021, the administrative law judge (ALJ) filed Order No. 12, restyling the docket and requiring the Parties to file a proposed notice of approval by October 18, 2021. Therefore, this pleading is timely filed.

I. JOINT MOTION TO ADMIT EVIDENCE

The Parties move to admit the following items into the record evidence of this proceeding:

1. The Application, filed on September 23, 2021 (AIS No. 1);
2. Staff's Recommendation on Administrative Completeness and Proposed Notice, filed on October 26, 2021 (AIS Item No. 3);
3. The tariff for G&W Water Supply Corporation filed on October 28, 2021 (AIS No. 5);
4. Applicants' supplemental application information, filed on December 15 and 16, 2020 (AIS Items Nos. 6 and 7);
5. Applicants' supplemental mapping information, filed on December 21, 2020 and January 15, 2021 (AIS Item Nos. 8 and 11);

6. Applicants' Response to Staff RFIs 1-1 through 1-4, filed on January 22, 2021 (AIS Item No. 13);
7. Commission Staff's Supplemental Recommendation on Administrative Completeness and Proposed Procedural Schedule, filed on April 7, 2021 (AIS Item No. 21);
8. Hempstead's Notices, Affidavits, and Newspaper Information, filed on May 10, 2021 (AIS Item No. 23);
9. Staff's Recommendation on Sufficiency of Notice, filed on May 27, 2021 (AIS Item No. 27, 2021);
10. Staff's Recommendation on Further Processing of the Application and Motion to Restyle, filed on August 13, 2021 (AIS Item No. 30);
11. Applicants' Response to Order No. 11, filed on August 23, 2021 (AIS Item No. 32);
12. Applicants' Executed Consent Forms, filed on September 24, 2021 (AIS Item No. 34); and
13. Staff's Final Recommendation, filed on October 11, 2021 (AIS Item No. 35).

II. CONCLUSION

The Parties respectfully request that the Commission grant the Motion to Admit Evidence and adopt the attached Proposed Notice of Approval.

Dated: October 20, 2021

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF
TEXAS LEGAL DIVISION**

Rachelle Nicolette Robles
Division Director

Rashmin J. Asher
Managing Attorney

/s/ Kevin R. Bartz

Kevin R. Bartz
State Bar No. 24101488
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7203
(512) 936-7268 (fax)
kevin.bartz@puc.texas.gov

/s/ Sean Conner

Sean Conner

Project Manager

G & W Water Supply Corporation

Jffontaine@jffontaine.com

(903) 729-6005

DOCKET NO. 51359
CERTIFICATE OF SERVICE

I hereby certify that on this 18th day of October, 2021, 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.

/s/ Kevin R. Bartz

Kevin R. Bartz

DOCKET NO. 51359

APPLICATION OF G&W WATER	§	
SUPPLY CORPORATION AND THE	§	PUBLIC UTILITY COMMISSION
CITY OF HEMPSTEAD TO	§	
DISCONTINUE WATER SERVICE AND	§	OF TEXAS
DECERTIFY A PORTION OF G&W	§	
WATER SUPPLY CORPORATION'S	§	
CERTIFICATE OF CONVENIENCE AND	§	
NECESSITY IN WALLER COUNTY	§	

JOINT PROPOSED NOTICE OF APPROVAL

This Order addresses the application of G&W Water Supply Corporation (G&W WSC) and the City of Hempstead (Hempstead) (collectively, Applicants) for approximately 120 acres to be decertified from G&W WSC's certificate of convenience and necessity (CCN) number 12391. The area will not become certificated service area under Hempstead because Hempstead has no CCN.

I. Findings of Fact

The Commission makes the following findings of fact:

Applicants

1. The City of Hempstead is a municipal water utility located in Waller County.
2. G&W WSC is a public water system that holds Certificate of Convenience and Necessity (CCN) No. 12391.

Application

3. On August 13, 2021, Applicants filed an application for the sale, transfer, or merger of certificate rights in Waller County seeking approval to sell and transfer a portion of Kempner's service area under CCN number 12391 to Hempstead.
4. Hempstead does not hold a CCN with the Commission.
5. Supplemental application information was filed on December 15 and 16, 2021.
6. Revised mapping data was filed on December 21, 2020 and January 22, 2021.

7. G&W WSC seeks approval of the decertification of approximately 120 acres in Waller County.
8. The total requested area comprises of zero (0) customers.
9. There are no facilities in the requested area.
10. In Order No. 7 filed on April 9, 2021 the ALJ deemed the application administratively complete.

Notice

11. On May 10, 2021, Hempstead filed notices, affidavits, and newspaper information indicating that notice was published in a newspaper of general circulation in Waller County for two consecutive weeks on April 28, 2021 and May 5, 2021 and that notice was mailed to affected entities on April 12, 2021.
12. In Order No. 8 filed on June 1, 2021, the ALJ deemed the notice sufficient.

Evidentiary Record

13. On October 18, 2021, the parties filed a joint motion to admit evidence.
14. In Order No. ___ filed on _____, the ALJ admitted the following evidence into the record: (a) The Application, filed on September 23, 2020; (b) Applicants' supplemental application information, filed on December 15 and 16, 2021; (c) Applicants' supplemental mapping information, filed on December 21, 2020 and January 15, 2021; (d) Applicants' Response to Staff RFIs 1-1 through 1-4, filed on January 22, 2021; (e) Staff's supplemental recommendation on administrative completeness and proposed procedural schedule, filed on April 7, 2021; (f) Hempstead's proof of notice, affidavits, and newspaper information filed on May 10, 2021; (g) Staff's recommendation on sufficiency of notice, filed on May 27, 2021; (h) Applicants' response to Order No. 11, filed on August 23, 2021; (i) Applicants' executed consent forms, filed on September 24, 2021; and (j) Staff's final recommendation, filed on October 11, 2021.

Effect on Customers and Landowners—16 TAC § 24.249(i)(1)

15. There are no customers in the affected area being decertified.

Costs Associated with Bringing Utility Into Compliance—16 TAC § 24.249(i)(2)

16. There are no facilities in the area being decertified.

Applicant's Diligence in Locating Alternative Sources of Service—16 TAC § 24.249(i)(3)

17. G&W WSC has diligently sought and already has secured an alternative source of service for the requested area through Hempstead.

Applicant's Efforts to Sell the Utility; Running Advertisements, Contacting Other Retail Public Utilities, or Discussing Cooperative Organization with the Customers—16 TAC § 24.249(i)(4)

18. There are no facilities in the affected area being decertified.

The Asking Price For Purchase of the Utility as it Relates to the Undepreciated Original Cost of the System for Ratemaking Purposes—16 TAC § 24.249(i)(5)

19. There are no facilities in the affected area being decertified.

The Relationship Between the Applicant and the Original Developer of the Area's Services—16 TAC § 24.249(i)(6)

20. There is no original developer of the area's services and there are no facilities in the affected area being decertified.

Availability of Alternative Sources of Service, Adjacent Retail Public Utilities, or Groundwater—16 TAC § 24.249(i)(7)

21. G&W WSC has diligently sought and already secured an alternative source of service for the requested area through the City of Hempstead.

Feasibility of Customers and Landowners to Obtain Service from Alternative Sources; Costs to the Customer, Quality of Service Available from the Alternative Source, and Length of Time Before Full Service Can Be Provided—16 TAC § 24.249(i)(8)

22. There are no existing customers are located within the transfer area.

II. Conclusions of Law

The Commission makes the following conclusions of law:

1. The Commission has authority over this proceeding under TWC §§ 13.041, 13.242, 13.246, and 13.250.
2. G&W WSC is a retail public utility as defined in TWC § 13.002(19) and a water supply corporation as defined in 16 TAC § 24.3(40).

3. Hempstead is a retail public utility as defined in TWC § 13.002(19) and a municipally owned utility as defined in 16 TAC § 24.3(22).
4. The Commission processed the application as required by TWC, the Administrative Procedures Act,¹ and Commission rules.
5. Notice of the application was provided in compliance with TWC § 13.246 and 16 TAC § 24.249.
6. The Commission processed the application in accordance with TWC § 13.246 and 16 TAC § 24.249.
7. G&W WSC has demonstrated that amendment to CCN number 12391 by certification will serve the public interest and is necessary for the service, accommodation, convenience or safety of the public as required by TWC § 13.246.
8. G&W WSC must record a certified copy of its approved map and certificate, along with a boundary description of the service area, in the real property records of Waller County within 31 days of receiving this Order and submit evidence of the recording to the Commission in accordance with TWC § 13.257(r) and (s).
9. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.

III. Ordering Paragraphs

In accordance with the preceding findings of fact and conclusions of law, the Commission enters the following orders.

1. The Commission amends G&W WSC's water CCN number 12391 by decertification of the approximately 120 acres as described in this Order and shown in the attached map.
2. The Commission issues the certificate attached to this Order.
3. The Commission approves the map attached to this Order.

¹ Tex. Gov't Code §§ 2001.001-.902.

4. G&W WSC must comply with the recording requirements in TWC § 13.257(r) and (s) for the area in Waller County affected by the application and file evidence of the recording in this docket no later than 45 days after receipt of this Order.
5. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the _____ day of _____ 2021.

PUBLIC UTILITY COMMISSION OF TEXAS

ADMINISTRATIVE LAW JUDGE