

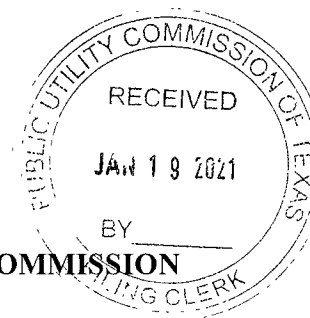


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DOCKET NO. 51407

**APPLICATION OF DOS AGUAS,
LLC FOR A WATER CERTIFICATE
OF CONVENIENCE AND
NECESSITY IN WALKER AND
MONTGOMERY COUNTIES**

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**PUBLIC UTILITY COMMISSION
OF TEXAS**

**COMMISSION STAFF'S SUPPLEMENTAL RECOMMENDATION ON
ADMINISTRATIVE COMPLETENESS, NOTICE, AND PROPOSED PROCEDURAL
SCHEDULE**

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and files this Commission Staff's Supplemental Recommendation on Administrative Completeness, Notice, and Proposed Procedural Schedule. Staff recommends that the application is administratively complete. In support thereof, Staff would show the following:

I. BACKGROUND

On October 9, 2020, Dos Aguas, LLC (Dos Aguas) filed an application to obtain a water certificate of convenience and necessity (CCN) in Walker and Montgomery counties. The requested service area consists of approximately 5,386 acres to be developed into 292 one-acre lots in Walker County and 1,800 to 1,900 one and one-half to two acre-lots in Montgomery County. Dos Aguas filed supplemental information on October 21, 2020, October 29, 2020, November 10, 2020, November 19, 2020, December 1, 2020, and December 3, 2020.

On November 10, 2020, Order No. 2 in this proceeding was filed, requiring Staff to file a supplemental recommendation on the administrative completeness of the application and proposed notice and to propose a procedural schedule by January 18, 2021. Therefore, this pleading is timely filed.¹

II. ADMINISTRATIVE COMPLETENESS

Staff has reviewed Dos Aguas' supplemented application and, as detailed in the attached memoranda from Patricia Garcia, Infrastructure Division, and Fred Bednarski, Rate Regulation

¹ Monday, January 18, 2021 is a Commission holiday. The next day the Commission is open for business is Tuesday, January 19, 2021. Therefore, under 16 Tex. Admin. Code (TAC) § 22.4(a), this pleading is timely filed.

Division,² recommends that the application is now administratively complete. Staff does not comment on the merits of the application at this time.

III. NOTICE

At this time, Staff recommends that Dos Aguas use the attached notice forms to proceed with providing public notice to all neighboring utilities, affected customers, landowners of a tract of 25 acres or more, political subdivisions, and other entities listed in Ms. Garcia's attached memorandum. Along with each individual notice, Staff recommends that Dos Aguas provide an accurate map delineating the requested service area. Staff also recommends that Dos Aguas use the attached Notice for Publication to publish notice once each week for two consecutive weeks in a newspaper of general circulation in both Walker and Montgomery counties.

Upon completion of notice, Staff recommends that Dos Aguas file proof of notice as described in Ms. Garcia's memorandum and using the attached affidavits.

IV. PROCEDURAL SCHEDULE

Staff proposes the following procedural schedule for the continued processing of this application:

Event	Date
Deadline for applicant to file with the Commission signed affidavits that the notice was given along with a copy of the notice sent to the affected parties and published in a newspaper of general circulation	March 19, 2021
Deadline for Staff to file a recommendation on sufficiency of notice	April 2, 2021
Deadline to intervene	30 days after the date notice is issued

² Mr. Bednarski's memorandum was originally filed along with Staff's recommendation on November 9, 2020 but has been re-attached to this pleading for reference.

V. CONCLUSION

Staff recommends that Dos Aguas' supplemented application be found administratively complete, that Dos Aguas proceed with providing notice of the application, and that the above-proposed procedural schedule be adopted. Staff respectfully requests that an order be issued consistent with the foregoing recommendations.

Dated: January 19, 2021

Respectfully Submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Rachelle Nicolette Robles
Division Director

Heath D. Armstrong
Managing Attorney

/s/Courtney Dean
Courtney N. Dean
State Bar No. 24116269
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7235
(512) 936-7268 (facsimile)
courtney.dean@puc.texas.gov

DOCKET NO. 51407

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 January 19, 2021, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/Courtney Dean
Courtney N. Dean

Public Utility Commission of Texas

Memorandum

TO: Courtney Dean, Attorney
Legal Division

FROM: Patricia Garcia, Senior Engineering Specialist
Infrastructure Division

DATE: January 19, 2021

RE: Docket No. 51407 – *Application of Dos Aguas, LLC for a Water Certificate of Convenience and Necessity in Walker and Montgomery County*

Dos Aguas, LLC (Dos Aguas) filed with the Public Utility Commission of Texas (Commission) an application for a water certificate of convenience and necessity (CCN) in Montgomery, San Jacinto, and Walker Counties, Texas under Texas Water Code (TWC) §§ 13.242 to 13.250 and 16 Texas Administrative Code (TAC) §§ 24.225 to 24.237.

Based on the mapping review by Gary Horton, Infrastructure Division, the financial and managerial review by Fred Bednarski, III, Rate Regulation Division, and my technical and managerial review of the additional information filed by Dos Aguas on November 10 and 11, 2020 and December 12 and 13, 2020, I recommend that the application be deemed administratively complete. I further recommend Dos Aguas be ordered to do the following:

- 1) Provide notice of the application by first-class mail to the following:
 - a. Cities, districts, and neighboring retail public utilities providing the same utility service whose corporate boundaries or certificated service area are located within two miles from the outer boundary of the requested area:
 - *C & R Water Supply Inc (CCN No. 13098)*
 - *Crystal Springs Water Company Inc (CCN No. 11373)*
 - *Domestic Water Company (CCN No. 10348)*
 - *Montgomery County Municipal Utility District 38*
 - *One Five O Water Supply Corporation (CCN No. 12339)*
 - *Quadvest LP (CCN No. 11612)*
 - *San Jacinto River Authority*
 - *T & W Water Service Company (CCN No. 12892)*
 - b. The county judge of each county that is wholly or partially included in the requested area:

- *Montgomery County Judge*
 - *San Jacinto County Judge*
 - *Walker County Judge*
- c. Each groundwater conservation district that is wholly or partially included in the requested area:
- *Bluebonnet Groundwater Conservation District*
 - *Lone Star Groundwater Conservation District*
 - *Lower Trinity Groundwater Conservation District*
- d. Each landowner of a tract of land that is at least 25 acres and is wholly or partly located in the requested area. Notice must be mailed to the owner of the tract of land according to the most current tax appraisal rolls of the applicable central appraisal district at the time the application was filed.
- e. Any affected customers, and other affected parties in the requested area.

Addresses can be obtained by Dos Aguas from the Water Utility Database at <http://www.puc.texas.gov/watersearch>. District information and addresses can be obtained from the Texas Commission on Environmental Quality's (TCEQ) web site located at <http://www14.tceq.texas.gov/iwud/>.

- 2) Publish notice in a newspaper having general circulation in each county where the requested area is located, once each week for two consecutive weeks. Proof in the form of a publisher's affidavit must be filed within 30 days of the publication date. The affidavit must state with specificity each county in which the newspaper is of general circulation. Within 30 days of the date the notice was mailed, Dos Aguas must file an affidavit specifying the notice that was provided to every person and entity to whom notice was provided and the date the notice was mailed.
- 3) Provide notice using the attached notice forms.
- 4) Provide a copy of the map(s) deemed sufficient during administrative review delineating the requested area with each individual notice to neighboring utilities, other affected parties, landowners and customers.
- 5) File in the docket copy of notice and the map(s) deemed sufficient during administrative review along with the signed affidavit specifying every person and entity to whom notice was provided, the date that the notice was provided, and the publisher's affidavit and tear sheets for proof of newspaper publication.
- 6) Supplement the application with a copy of the approval letter for the plans and specifications for the water plant facilities and distribution system from TCEQ once it is received. Dos Aguas must file the approval letter(s) prior to Staff making a final recommendation on the application.

Staff may determine that additional information is needed to make a final recommendation in this docket. If additional information is needed, Staff may send requests for information (RFI) to Dos Aguas. Dos Aguas will have 20 days from the receipt of the RFI to respond.

Public Utility Commission of Texas

Memorandum

TO: Courtney Dean, Attorney
Legal Division

FROM: Fred Bednarski III, Financial Analyst
Rate Regulation Division

DATE: November 9, 2020

RE: Docket No. 51407 – *Application of Dos Aguas, LLC for a Water Certificate of Convenience and Necessity in Walker and Montgomery Counties*

On October 9, 2020 Dos Aguas, LLC filed an application to obtain a water certificate of convenience and necessity in Walker and Montgomery Counties under the provisions of Texas Water Code §§ 13.242 to 13.250 and 16 Texas Administrative Code §§ 24.225 to 24.237.

I reviewed the answers provided to questions 30 and 31 of the application and did not identify any deficiencies in those answers for purposes of determining whether the application is administratively complete. Therefore, I recommend that the application be deemed administratively complete from a financial perspective.

Notice for Publication

**NOTICE OF APPLICATION TO OBTAIN A CERTIFICATE OF CONVENIENCE AND
NECESSITY TO PROVIDE WATER UTILITY SERVICE IN MONTGOMERY, SAN
JACINTO, AND WALKER COUNTIES, TEXAS**

Dos Aguas, LLC has filed an application with the Public Utility Commission of Texas to obtain a Certificate of Convenience and Necessity (CCN) for the provision of retail water utility service in Montgomery, San Jacinto, and Walker Counties.

The requested area overlaps the district boundaries of the San Jacinto River Authority. If San Jacinto River Authority does not request a public hearing, the Commission shall determine that the district is consenting to Dos Aguas, LLC's request to provide retail water utility service in the requested area.

The requested area is located approximately 6 miles northeast of downtown Willis, Texas, and is generally bounded on the north by SH 150; on the east by Peach Creek; on the south by Tanyard Road; and on the west by FM 1097. The total requested area includes approximately 5,387 acres and 2,200 current customers.

A copy of the map showing the requested area is available at: 455 FM 2296, Huntsville, TX 77340

Persons who wish to intervene in the proceeding or comment upon action sought should contact the Public Utility Commission, P.O. Box 13326, Austin, Texas 78711-3326, or call the Public Utility Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. The deadline for intervention in the proceeding is (30 days from the mailing or publication of notice, whichever occurs later, unless otherwise provided by the presiding officer). You must send a letter requesting intervention to the commission which is received by that date. The letter must include the person's name, address, email address and fax number if applicable.

If a valid public hearing is requested, the Commission will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, SOAH will submit a recommendation to the Commission for a final decision. An evidentiary hearing is a legal proceeding similar to a civil trial in state district court.

A landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the requested area, may file a written request with the Commission to be excluded from the requested area ("opt out") within (30) days from the date that notice was provided by the Utility. All opt out requests must include a large-scale map, a metes and bounds description of the landowner's tract of land, landowner's name, address, email address and fax number, if applicable.

Persons who wish to request this option should file the required documents with the:

Public Utility Commission of Texas
Central Records
1701 N. Congress, P. O. Box 13326
Austin, TX 78711-3326

In addition, the landowner must also send a copy of the opt out request to the Utility. Staff may request additional information regarding your request.

Si desea información en español, puede llamar al 1-888-782-8477.

Notice to Neighboring Systems, Landowners, Customers, and Cities
NOTICE OF APPLICATION TO OBTAIN A CERTIFICATE OF CONVENIENCE AND
NECESSITY TO PROVIDE WATER UTILITY SERVICE IN MONTGOMERY, SAN
JACINTO, AND WALKER COUNTIES, TEXAS

To: _____ Date Notice Mailed: _____, 20____
(Neighboring System, Landowner, Customer or City)

(Address)

(City State Zip)

Dos Aguas, LLC has filed an application with the Public Utility Commission of Texas to obtain a Certificate of Convenience and Necessity (CCN) for the provision of retail water utility service in Montgomery, San Jacinto, and Walker Counties.

The requested area overlaps the district boundaries of the San Jacinto River Authority. If San Jacinto River Authority does not request a public hearing, the Commission shall determine that the district is consenting to Dos Aguas, LLC's request to provide retail water utility service in the requested area.

The requested area is located approximately 6 miles northeast of downtown Willis, Texas, and is generally bounded on the north by SH 150; on the east by Peach Creek; on the south by Tanyard Road; and on the west by FM 1097. The total requested area includes approximately 5,387 acres and 2,200 current customers.

See enclosed map showing the requested area.

Persons who wish to intervene in the proceeding or comment upon action sought should contact the Public Utility Commission, P.O. Box 13326, Austin, Texas 78711-3326, or call the Public Utility Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. The deadline for intervention in the proceeding is (30 days from the mailing or publication of notice, whichever occurs later, unless otherwise provided by the presiding officer). You must send a letter requesting intervention to the commission which is received by that date. The letter must include the person's name, address, email address and fax number if applicable.

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Si desea información en español, puede llamar al 1-888-782-8477.

PUBLIC UTILITY COMMISSION OF TEXAS



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, LANDOWNERS, NEIGHBORING UTILITIES, AND AFFECTED PARTIES DOCKET NO. 51407

STATE OF TEXAS

COUNTY OF _____

_____ has provided individual
notice to the following entities, landowners and customers:

DATE OF NOTICE

OATH

I, _____, being duly sworn, file this form as
_____ (indicate relationship to applicant, that is,
owner, member of partnership, title of officer of corporation, or other authorized representative of
applicant); that in such capacity, I am qualified and authorized to file and verify such form, am
personally familiar with the notices given with this application, and have complied with all notice
requirements in the application and application acceptance letter; and that all such statements made
and matters set for therein are true and correct.

Applicant's Authorized Representative

If the applicant to this form is any person other than the sole owner, partner, officer of the applicant,
or its attorney, a properly verified Power of Attorney must be enclosed.

Subscribed and sworn to before me this _____ day of _____, 20____,
to certify which witness my hand and seal of office.

Notary Public in and for the State of Texas

Print or Type Name of Notary Public

Commission Expires _____

PUBLIC UTILITY COMMISSION OF TEXAS



PUBLISHER'S AFFIDAVIT DOCKET NO. 51407

STATE OF TEXAS
COUNTY OF _____

Before me, the undersigned authority, on this day personally appeared _____,
who being by me duly sworn, deposes and that (s)he is the

_____ of the _____
(TITLE) (NAME OF NEWSPAPER)

that said newspaper is regularly published in _____
(COUNTY/COUNTIES)

and generally circulated in _____, Texas;
(COUNTY/COUNTIES)

and that the attached notice was published in said newspaper on the following dates, to wit:

(DATES)

(SIGNATURE OF NEWSPAPER REPRESENTATIVE)

Subscribed and sworn to before me this _____ day of _____, 20____,
to certify which witness my hand and seal of office.

Notary Public in and for the State of Texas

Print or Type Name of Notary Public

Commission Expires _____