



Control Number: 51489



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DOCKET NO. 51489

**APPLICATION OF JACOBIA WATER
SUPPLY CORPORATION AND SHADY
GROVE SPECIAL UTILITY DISTRICT
FOR SALE, TRANSFER, MERGER OF
FACILITIES AND CERTIFICATE
RIGHTS IN HUNT COUNTY**

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PUBLIC UTILITY COMMISSION

OF TEXAS

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

On November 5, 2020, Jacobia Water Supply Corporation (Jacobia WSC) and Shady Grove Special Utility District (Shady Grove SUD) filed an application for the sale, transfer, or merger of facilities and certificate rights in Hunt County. The application seeks to transfer Jacobia WSC's water service area and facilities under certificate of convenience and necessity (CCN) number 11417 to Shady Grove SUD's water CCN number 11661 and to cancel Jacobia WSC's CCN number 11417. The total requested area consists of 14,004 acres with 387 customer connections. Applicants filed supplemental information on November 9, 2020 and December 7 and 18, 2020.

On December 11, 2020, the administrative law judge (ALJ) filed Order No. 3, establishing a deadline of February 4, 2021 for Staff of the Public Utility Commission of Texas (Staff) to file a supplemental recommendation regarding the administrative completeness of the application and propose a procedural schedule. This pleading, therefore, is timely filed.

I. ADMINISTRATIVE COMPLETENESS

Staff has reviewed the application and supplemental information and, as detailed in the attached memorandum from Jolie Mathis, Infrastructure Division, recommends that the application be deemed administratively complete. Staff's recommendation on administrative completeness is not a comment on the merits of the application.

II. NOTICE

Staff recommends that Shady Grove SUD and Jacobia WSC proceed with providing notice to all current customers, neighboring utilities, political subdivisions, and other persons listed in the

attached memorandum using the notice provided by Ms. Mathis. Staff recommends that an accurate map delineating the requested service area be provided along with each individual notice.

Once notice has been completed, Staff recommends that Shady Grove SUD and Jacobia WSC file proof of notice as described in the attached memorandum, including an affidavit specifying the name and address of every person and entity to whom notice was provided and the date that the notice was provided along with a copy of the notice and map provided.

III. PROCEDURAL SCHEDULE

Staff proposes the following procedural schedule:

Event	Date
Deadline for Applicants to file with the Commission signed affidavits that the notice was given along with a copy of the notice sent to the affected parties	March 4, 2020
Deadline for Staff to file a recommendation on sufficiency of notice	March 18, 2020
Deadline to intervene	Thirty (30) days after notice is issued

IV. CONCLUSION

Staff respectfully requests the issuance of an order consistent with the foregoing recommendation.

Dated: February 4, 2021

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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/s/ Creighton R. McMurray
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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 February 4, 2021, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Creighton R. McMurray
Creighton R. McMurray

Public Utility Commission of Texas

Memorandum

TO: Creighton McMurray, Attorney
Legal Division

FROM: Jolie Mathis, Utility Engineering Specialist
Infrastructure Division

DATE: February 4, 2021

RE: Docket No. 51489 – *Application of Jacobia Water Supply Corporation and Shady Grove Special Utility District for Sale, Transfer, Merger of Facilities and Certificate Rights in Hunt County*

On November 5, 2020, Shady Grove Special Utility District (Shady Grove SUD) and Jacobia Water Supply Corporation (Jacobia WSC) (collectively, Applicants) filed an application for sale, transfer, or merger of facilities and certificate rights in Hunt County, Texas, under Texas Water Code § 13.301 and 16 Texas Administrative Code § 24.239.

Specifically, Shady Grove SUD, water certificate of convenience and necessity (CCN) No. 11661, seeks approval to acquire facilities and to transfer all of the water service area from Jacobia WSC under water CCN No. 11417. The requested area includes approximately 14,004 acres and 387 connections.

Based on the mapping review by Gary Horton, Infrastructure Division, the financial and managerial review by Fred Bednarski, Rate Regulation Division, and my technical and managerial review of the additional information filed on December 18, 2020, I recommend that the application be deemed administratively complete. I further recommend that the Applicants 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:
 - *Campbell Water Supply Corporation (CCN No. 10810)*
 - *City of Greenville (CCN No. 10836)*
 - *City of Neylandville*
 - *Hickory Creek Special Utility District (CCN No. 10809)*

- *North Hunt Special Utility District (CCN No. 11206)*
 - *Sabine River Authority*
 - *Sulphur River Basin Authority*
- b. The county judge of each county that is wholly or partially included in the requested area:
- *Hunt County Judge*
- c. Each groundwater conservation district that is wholly or partially included in the requested area:
- *None*
- d. Any affected customers, and other affected parties in the requested area.

Addresses can be obtained 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) Provide notice using the attached notice form(s).
- 3) 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, and customers.
- 4) 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.

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 Shady Grove SUD and Jacobia WSC. Shady Grove SUD and Jacobia WSC will have 20 days from the receipt of the RFI to respond.

Docket No. 51489

Notice to Current Customers, Neighboring Systems, and Cities

SHADY GROVE SPECIAL UTILITY DISTRICT, CERTIFICATE OF CONVENIENCE AND
NECESSITY (CCN) NO. 11661, NOTICE OF INTENT TO PURCHASE WATER
FACILITIES AND TO TRANSFER WATER SERVICE AREA UNDER CCN NO. 11417
FROM JACOBIA WATER SUPPLY CORPORATION IN HUNT COUNTY, TEXAS

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

(Address)

(City State Zip)

<u>Shady Grove Special Utility District</u>	<u>3516 FM 499</u>	<u>Greenville, TX</u>	<u>75401</u>
(Purchaser's Name)	(Address)	(City), (State)	(Zip Code)

has submitted an application with the Public Utility Commission of Texas (Commission) to purchase Jacobia Water Supply Corporation water facilities and to transfer water certificated service area under CCN No. 11417, in Hunt County, TX from:

<u>Jacobia Water Supply Corporation</u>	<u>P.O. Box 411</u>	<u>Greenville, TX</u>	<u>75403</u>
(Seller's Name)	(Address)	(City), (State)	(Zip Code)

The sale is scheduled to take place if approved by the Commission (Texas Water Code § 13.301). The transaction and the transfer of the CCN includes the following subdivision:
n/a.

The requested area is located approximately 2 mile(s) northeast of downtown Greenville, Texas, and is generally bounded on the north by FM 1566 and South Sulphur River; on the east by CR 4204 and CR 4109; on the south by CR 4105; and on the west by SH 34. The total requested area includes approximately 14,004 acres and 387 current customers. **See enclosed map showing the requested area.**

This transaction will have the following effect on the current customers' rates and services: higher monthly bill.

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 final decision. An evidentiary hearing is a legal proceeding similar to a civil trial in state district court.

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

Utility Representative

Utility Name

PUBLIC UTILITY COMMISSION OF TEXAS



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, NEIGHBORING UTILITIES, AND AFFECTED PARTIES DOCKET NO. 51489

STATE OF TEXAS

COUNTY OF _____

_____ has provided individual
notice to the following entities 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 _____

Updated: October 15, 2020