



Control Number: 51489



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

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 files this recommendation. Staff recommends that the application be found administratively incomplete at this time. In support thereof, Staff shows the following:

I. BACKGROUND

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.

On December 4, 2020, Order No. 2 was filed, setting a deadline of December 14, 2020 for Staff to file a recommendation regarding administrative completeness and notice. This pleading, therefore, is timely filed.

II. ADMINISTRATIVE COMPLETENESS

After review, and as detailed in the attached memorandum of Jolie Mathis of the Commission's Infrastructure Division, Staff recommends that the application lacks the necessary information to be found administratively complete. Specifically, the application did not include a signed and counter-signed proposed purchase agreement or contract between the buyer and seller, detailing the terms of the transaction. Staff recommends that Jacobia WSC or Shady Grove SUD filed the requested document by January 11, 2021 and that Staff be given until February 4, 2021

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to file a supplemental recommendation. Staff further recommends that Jacobia WSC and Shady Grove SUD should not issue notice until the application is found administratively complete.

III. CONCLUSION

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

Dated: December 14, 2020

Respectfully submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Rachelle Nicolette Robles
Division Director

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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 on December 14, 2020, 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: December 14, 2020

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

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 my technical and managerial review of the information filed by the Applicants, I recommend that the application be deemed administratively incomplete and not accepted for filing due to the deficiencies detailed below:

Application Content

I recommend that the Applicants provide the following:

1. A proposed purchase agreement signed by the buyer and seller or other documentation, such as a contract, supporting the proposed transaction as required by Part A, Question 1 of the application.

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>).