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APPLICATION OF T&W WATER § PUBLIC UTILITY COMMISSION
SERVICE COMPANY AND BELLE §
OAKS WATER AND SEWER CO., INC. § OF TEXAS
FOR SALE, TRANSFER, OR MERGER §
OF FACILITIES AND CERTIFICATE §
RIGHTS IN JEFFERSON COUNTY §

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

On April 9, 2021, T&W Water Service Company (T&W) and Belle Oaks Water and Sewer Co., Inc. (Belle Oaks) (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Jefferson County. Specifically, T&W seeks approval to acquire facilities and to transfer water service area held under Belle Oaks' certificate of convenience and necessity (CCN) number 13067 and to acquire facilities and to transfer sewer service area held under Belle Oaks' CCN No. 20965. The Applicants also seek the cancellation of Belle Oaks' water and sewer CCN numbers and the issuance of a new sewer CCN number to T&W. The requested water service area includes approximately 450 acres and the requested sewer service area includes approximately 445 acres. The Applicants filed supplemental information on April 30, 2021 and June 9, 2021.

On May 11, 2021, the administrative law judge filed Order No. 2, establishing a deadline of July 9, 2021 for the Staff of the Public Utility Commission of Texas (Staff) to file supplemental comments on the administrative completeness of the application and proposed notice and to propose a procedural schedule for the further processing of this docket. Therefore, this pleading is timely filed.

I. ADMINISTRATIVE COMPLETENESS

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

II. NOTICE

At this time, Staff recommends that the Applicants proceed with providing public notice to all current customers, neighboring utilities, political subdivisions, and other persons listed in the attached memorandum using the notice form provided by Ms. Garcia. Along with each individual notice, Staff recommends that the Applicants provide an accurate map delineating the requested water and sewer service areas.

Within 30 days of the provision of notice, Staff recommends that the Applicants 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, the date that the notice was provided, and a copy of the maps and notice provided. Finally, Staff recommends that the Applicants use the attached notice and affidavit to meet these requirements.

III. PROCEDURAL SCHEDULE

Staff recommends that the application be found administratively complete. Therefore, Staff proposes the following procedural schedule:

Event	Date
Deadline for the Applicants to file with the Commission a signed affidavit that the notice was given along with a copy of the notice and map sent to the affected parties	August 9, 2021
Deadline for Staff to file a recommendation on sufficiency of notice	August 19, 2021
Deadline to intervene	30 days after notice is issued

IV. CONCLUSION

For the reasons detailed above, Staff recommends that the application be deemed administratively complete, that the Applicants be directed to provide notice as described in the attached memorandum, and that the proposed procedural schedule be adopted. Staff respectfully requests the entry of an order consistent with these recommendations.

Dated: July 8, 2021

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Rachelle Nicolette Robles
Division Director

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/s/ Merritt Lander
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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 July 8, 2021, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Merritt Lander
Merritt Lander

Public Utility Commission of Texas

Memorandum

TO: Merritt Lander, Attorney
Legal Division

FROM: Patricia Garcia, Senior Engineering Specialist
Infrastructure Division

DATE: July 9, 2021

RE: Docket No. 51999 – *Application of T&W Water Service Company and Belle Oaks Water and Sewer Co., Inc. for Sale, Transfer, or Merger of Facilities and Certificate Rights in Jefferson County*

T&W Water Service Company (T&W Water) and Belle Oaks Water and Sewer Co., Inc. (Belle Oaks) (collectively, Applicants) filed an application for sale, transfer, or merger (STM) of facilities and certificate rights in Jefferson County, Texas, under Texas Water Code (TWC) § 13.301 and 16 Texas Administrative Code (TAC) § 24.239.

Specifically, T&W Water, certificate of convenience and necessity (CCN) No. 12892, seeks approval to acquire facilities and to transfer all of the water service area from Belle Oaks under water CCN No. 13067 and to acquire facilities and to transfer all of the sewer service area under sewer CCN No. 20965. T&W Water is requesting a new sewer CCN number.

The requested water service area includes approximately 450 acres, comprised of 450 acres of transferred area from CCN No. 13067.

The requested sewer service area includes approximately 445 acres, comprised of 445 acres of transferred area from CCN No. 20965.

Based on the mapping review by Gary Horton, Infrastructure Division, the maps submitted on April 9, 2021 are sufficient. Based on the financial and managerial review by Fred Bednarski III, Rate Regulation Division, and my technical and managerial review of the additional information filed on June 9, 2021, 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:
 - *City of Taylor Landing*
 - *Jefferson County Drainage District 6*
 - *Jefferson County Navigation District*
 - *Lower Neches Valley Authority*
 - *Sabine-Neches Navigation District of Jefferson County*
 - *West Jefferson County Municipal Water District (CCN No. 10142)*
- b. The county judge of each county that is wholly or partially included in the requested area:
 - *Jefferson County Judge*
- c. 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 forms.
- 3) Provide a copy of the maps 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 maps deemed sufficient during administrative review along with the signed affidavit specifying every person and entity to whom notice was provided, and the date that the notice was provided.

Notice to Current Customers, Neighboring Systems, and Cities

**T&W WATER SERVICE COMPANY, CERTIFICATE OF CONVENIENCE AND
NECESSITY (CCN) NO. 12892, NOTICE OF INTENT TO PURCHASE WATER AND
SEWER FACILITIES AND TO TRANSFER WATER AND SEWER SERVICE AREA
UNDER CCN NOS. 13067 AND 20965 FROM BELLE OAKS WATER AND SEWER CO.,
INC. IN JEFFERSON COUNTY, TEXAS**

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

(Address)

(City State Zip)

<u>T&W Water Service Company</u>	<u>12284 FM 3083</u>	<u>Conroe, TX</u>	<u>77301</u>
(Purchaser's Name)	(Address)	(City), (State)	(Zip Code)

has submitted an application with the Public Utility Commission of Texas (Commission) to purchase all of the water facilities, to transfer water certificated service area under CCN No. 13067, and merge the water service area into water CCN No. 12892 and to purchase all of the sewer facilities, to transfer sewer certificated service area under CCN No. 20965, and obtain a sewer CCN for the sewer CCN service area, in Jefferson County, TX from:

<u>Belle Oaks Water and Sewer Co., Inc.</u>	<u>8385 Chemical Road</u>	<u>Beaumont, TX</u>	<u>77705</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:

The Cove at Taylor Landing.

The requested area includes 49 current customers, is located approximately 15 miles south of downtown Beaumont, Texas, and is generally bounded on the north by Taylor Bayou; on the east by Port Arthur County Club Road and Taylor Bayou; on the south by SH 73; and on the west by Labelle Road.

The requested water service area includes approximately 450 acres, comprised of 450 acres of transferred area (from CCN No. 13067).

The requested sewer service area includes approximately 445 acres, comprised of 445 acres of transferred area (from CCN No. 20965).

The application proposes the addition of approximately 450 acres to water CCN No. 12892 and the addition of approximately 445 acres to new sewer CCN to be assigned to T&W Water Service Company.

The application proposes the subtraction of approximately 450 acres from water CCN No. 13067 and the subtraction of approximately 445 acres from sewer CCN No. 20965.

See enclosed map showing the requested area.

This transaction will not have an effect on the current customer's rates and services.

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. 51999

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 _____

Notice Form Updated: April 8, 2021