



## Filing Receipt

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**DOCKET NO. 52408**

<b>APPLICATION OF S.S. WATER</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>SUPPLY CORPORATION AND</b>	<b>§</b>	
<b>LAS PALOMAS WATER SERVICE</b>	<b>§</b>	<b>OF TEXAS</b>
<b>COMPANY FOR SALE, TRANSFER,</b>	<b>§</b>	
<b>OR MERGER OF FACILITIES AND</b>	<b>§</b>	
<b>CERTIFICATION RIGHTS IN WILSON</b>	<b>§</b>	
<b>COUNTY</b>	<b>§</b>	

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

On August 10, 2021, S.S. Water Supply Corporation (SSWSC) and Las Palomas Water Service Company, LLC under the receivership of Donald G. Rauschuber (Las Palomas) (collectively, the Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Wilson County. Specifically, SSWSC seeks approval to acquire facilities and to transfer water service area held under water Certificate of Convenience and Necessity (CCN) number 12308. The requested area includes approximately 1,263 acres and 235 current customers. On September 20, 2021 and September 22, 2021, the Applicants filed supplemental information.

On September 10, 2021, the administrative law judge (ALJ) filed Order No. 2, establishing a deadline of October 7, 2021 for the Staff of the Public Utility Commission of Texas (Staff) to file a supplemental recommendation 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 memoranda from Patricia Garcia, of the Infrastructure Division, and Fred Bednarski III of the Rate Regulation Division, recommend 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 service area.

Once notice has been provided, 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 map provided with the notice. 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:

<b>Event</b>	<b>Date</b>
Deadline for the Applicants to file with the Commission signed affidavits that the notice was given along with a copy of the notice and map sent to the affected parties	November 22, 2021
Deadline for Staff to file a recommendation on sufficiency of notice	December 2, 2021
Deadline to intervene	30 days after notice is issued

## **IV. CONCLUSION**

For the reasons detailed above, Staff recommends that the application be found 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: October 7, 2021

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

Rachelle Nicolette Robles  
Division Director

Rashmin J. Asher  
Managing Attorney

/s/ Arnett D. Caviel  
Arnett D. Caviel  
State Bar No. 24121533  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326  
(512) 936-7245  
(512) 936-7268 (facsimile)  
Arnett.Caviel@puc.texas.gov

**DOCKET NO. 52408**

**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 October 7, 2021, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Arnett D. Caviel  
Arnett D. Caviel

# *Public Utility Commission of Texas*

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## **Memorandum**

**TO:** Arnett Caviel, Attorney  
Legal Division

**FROM:** Patricia Garcia, Senior Engineering Specialist  
Infrastructure Division

**DATE:** October 7, 2021

**RE:** Docket No. 52408 – *Application of S.S. Water Supply Corporation and Las Palomas Water Service Company for Sale, Transfer, or Merger of Facilities and Certification Rights in Wilson County*

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S.S. Water Supply Corporation (SSWSC) and the Las Palomas Water Service Company, LLC under the receivership of Donald G. Rauschuber (Las Palomas) (collectively, the Applicants) filed an application for sale, transfer, or merger (STM) of facilities and certificate rights in Wilson County, Texas, under Texas Water Code (TWC) § 13.301 and 16 Texas Administrative Code (TAC) § 24.239.

Specifically, SSWSC, certificate of convenience and necessity (CCN) No. 11489, seeks approval to acquire facilities and to transfer all of the water service area from Las Palomas under water certificate of convenience and necessity (CCN) No. 12308 which is held in the name of "Lake Valley Water" (i.e., Las Palomas assumed name).

The requested area includes 235 customer connections and approximately 1,263 acres, comprised of 1,263 acres of transferred area from CCN No. 12308.

The application proposes the addition of approximately 1,263 acres to CCN No. 11489.

The application indicates that the total acreage being requested is approximately 1,060 acres. Based on the mapping review by Gary Horton, of the Infrastructure Division, it was determined the requested area is approximately 1,263 acres.

Based on the mapping review by Mr. Horton, the maps submitted on August 10, 2021 are sufficient. Based on my technical and managerial review of the additional information filed on September 22, 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:
    - *Canyon Regional Water Authority*
    - *City of La Vernia (CCN No. 10689)*
    - *CSWR-Texas Utility Operating Company LLC (CCN No. 13290)*
    - *Ecleto Creek Watershed District*
    - *Guadalupe-Blanco River Authority*
    - *San Antonio River Authority*
    - *Springs Hill WSC (CCN No. 10666)*
    - *Sunko WSC (CCN No. 10658)*
  - b. The county judge of each county that is wholly or partially included in the requested area:
    - *Wilson County Judge*
  - c. Each groundwater conservation district that is wholly or partially included in the requested area:
    - *Evergreen Underground Water Conservation District*
  - 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, and the date that the notice was provided.

# *Public Utility Commission of Texas*

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## **Memorandum**

**TO:** Arnett Caviel, Attorney  
Legal Division

**FROM:** Kathryn Eiland, Financial Analyst  
Fred Bednarski III, Financial Analyst  
Rate Regulation Division

**DATE:** October 7, 2021

**RE:** Docket No. 52408 - *Application of S. S. Water Supply Corporation and Las Palomas Water Service Company for Sale, Transfer, or Merger of Facilities and Certification Rights in Wilson County*

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On August 10, 2021, S. S. Water Supply Corporation and Las Palomas Water Service Company, LLC, under the receivership of Donald G. Rauschuber, filed an application for the sale and transfer of facilities and certificate rights in Wilson County under the provisions of Texas Water Code § 13.301 and 16 Texas Administrative Code § 24.239.

I reviewed the answers provided to questions 4, 10, 11, 12, and 14 of the application. I did not identify any deficiencies in those answers for purposes of determining whether the application is administratively complete. Therefore, I recommend that the Commission deem the application administratively complete from a financial perspective.

***Notice to Current Customers, Neighboring Systems, and Cities***  
S.S. WATER SUPPLY CORPORATION, CERTIFICATE OF CONVENIENCE AND  
NECESSITY (CCN) NO. 11489, NOTICE OF INTENT TO PURCHASE WATER  
FACILITIES AND TO TRANSFER WATER SERVICE AREA UNDER CCN NO. 12308  
FROM LAS PALOMAS WATER SERVICE COMPANY DBA LAKE VALLEY WATER IN  
WILSON COUNTY, TEXAS

To: \_\_\_\_\_ Date Notice Mailed: \_\_\_\_\_, 20\_\_\_\_  
(Name of Customer, Neighboring System, or City)  
\_\_\_\_\_  
(Address)  
\_\_\_\_\_  
(City State Zip)

S.S. Water Supply Corporation 10393 US Highway 87W La Vernia, TX 78121  
(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 and to transfer water certificated service area under CCN No. 12308, in Wilson County, TX from:

Las Palomas Water Service Company dba Lake Valley Water  
(Seller's Name)

P.O. Box 342707 Austin, TX 78734  
(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:  
Estates of Quail Run, Las Palomas Country Club Estates, Lake Valley Estates, The Meadows of Quail Run, and Lake Valley Acres

The requested area includes 235 customer connections, is located approximately 5 miles east of downtown La Vernia, Texas, and is generally bounded on the north by Guadalupe-Wilson County Line; on the east by SH 123; on the south by County Road 334; and on the west by FM 539.

The requested area includes approximately 1,263 acres, comprised of 1,263 acres of transferred area (from CCN No. 12308).

The application proposes the addition of approximately 1,263 acres to CCN No. 11489.

**See enclosed map showing the requested area.**

This transaction will have the following effect on the current customers' rates and services: Customers' rates will be lower than the current rates after the transfer.

*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.

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Utility Representative

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Utility Name

# PUBLIC UTILITY COMMISSION OF TEXAS



## AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, NEIGHBORING UTILITIES, AND AFFECTED PARTIES DOCKET NO. 52408

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