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DOCKET NO. 52440

APPLICATION OF CRYSTAL	§	PUBLIC UTILITY COMMISSION
SPRINGS WATER COMPANY, INC.	§	
TO AMEND ITS CERTIFICATES OF	§	OF TEXAS
CONVENIENCE AND NECESSITY IN	§	
MONTGOMERY COUNTY	§	

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

On August 17, 2021, Crystal Springs Water Company, Inc. (Crystal Springs) filed an application to amend certificates of convenience and necessity (CCN) in Montgomery County. Crystal Springs holds water CCN No. 11373 and sewer CCN No. 20906. The requested service area consists of 2,364 acres, zero existing connections, and 3,655 proposed connections. Crystal Springs filed supplemental information on August 25, 2021.

On August 20, 2021, the administrative law judge (ALJ) filed Order No. 1, establishing a deadline of September 16, 2021 for the Staff of the Public Utility Commission of Texas (Staff) to file 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 memoranda from Patricia Garcia, Infrastructure Division, and Kathryn Eiland and Fred Bednarski, III, Rate Regulation Division, recommends that the application is administratively complete. Staff’s recommendation on administrative completeness is not a comment on the merits of the application. Further, Staff recommends that prior to Staff’s final recommendation on the merits, Crystal Springs must acquire approval from the Texas Commission on Environmental Quality (TCEQ) for applicable permits and constructions plans and file the TCEQ approval letters in this docket.

II. NOTICE

As detailed in Ms. Garcia's memorandum, Staff recommends that Crystal Springs proceed with providing public notice of its application. Specifically, Staff recommends that Crystal Springs use the attached form titled *Notice to Neighboring Systems, Landowners, Customers, and Cities* to provide individual notice to those entities and individuals listed in Ms. Garcia's memorandum. Additionally, Staff recommends that all individual notices include an accurate map delineating the requested water and sewer service area. Staff further recommends that Crystal Springs use the attached form titled *Notice for Publication* to publish notice of the application once each week for two consecutive weeks in a newspaper of general circulation in Montgomery County. Once notice has been provided, Staff recommends that Crystal Springs file proof of notice as detailed in Ms. Garcia's memorandum, using the attached forms titled *Affidavit of Notice to Current Customers, Landowners, Neighboring Utilities, and Affected Parties* and *Publisher's Affidavit*.

III. PROCEDURAL SCHEDULE

Staff recommends the application be found administratively complete. Staff therefore proposes the following procedural schedule:

Event	Date
Deadline for Crystal Springs 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 and published in a newspaper of general circulation	November 1, 2021
Deadline for Staff to file a recommendation on sufficiency of notice	November 11, 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 Crystal Springs be directed to provide notice as described in Ms. Garcia's attached memorandum, and that the proposed procedural schedule be adopted. Staff respectfully requests the entry of an order consistent with these recommendations.

Dated: September 16, 2021

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Rachelle Nicolette Robles
Division Director

Rustin Tawater
Managing Attorney

/s/ Scott Miles
Scott Miles
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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 September 16, 2021, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Scott Miles
Scott Miles

Public Utility Commission of Texas

Memorandum

TO: Scott Miles, Attorney
Legal Division

FROM: Patricia Garcia, Senior Engineering Specialist
Infrastructure Division

DATE: September 16, 2021

RE: Docket No. 52440 – *Application of Crystal Springs Water Company, Inc. to Amend its Certificates of Convenience and Necessity in Montgomery County*

On August 17, 2021, Crystal Springs Water Company, Inc. (Crystal Springs) filed with the Public Utility Commission of Texas (Commission) an application to amend its water Certificate of Convenience and Necessity (CCN) No. 11373 and sewer CCN No. 20906 in Montgomery County, Texas under Texas Water Code (TWC) §§ 13.242 to 13.250 and 16 Texas Administrative Code (TAC) §§ 24.225 to 24.237. The requested area includes 0 customer connections and approximately 2,364 acres, comprised of 2,364 acres of uncertificated area.

The application proposes the addition of approximately 2,364 acres to CCN Nos. 11373 and 20906.

The application indicates that the total acreage being requested is approximately 2,672 acres. Based on the mapping review by Gary Horton, Infrastructure Division, it was determined the requested area is approximately 2,364 acres.

Based on the mapping review by Mr. Horton, the maps submitted on August 17, 2021 and August 25, 2021 are sufficient. Based on my technical and managerial review of the information filed by Crystal Springs, I recommend that the application be deemed administratively complete. I further recommend that Crystal Springs 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:

- *Aqua Texas Inc (CCN No. 13203)*
 - *C & R Water Supply Inc (CCN Nos. 13098 & 20987)*
 - *David Lee Sheffield (CCN No. 11997)*
 - *East Montgomery County Improvement District*
 - *Highline Oaks Water Utility (CCN No. 13006)*
 - *Montgomery County Municipal Utility District (MUD) 30*
 - *Montgomery County MUD 163*
 - *Montgomery County MUD 164*
 - *Nerro Supply Investors LLC (CCN No. 10336)*
 - *San Jacinto River Authority*
 - *Town of Cut and Shoot (CCN No. 11615)*
 - *Undine Texas LLC (CCN No. 13260)*
 - *Utilities Investment Company Inc (CCN No. 12671)*
- b. The county judge of each county that is wholly or partially included in the requested area:
- *Montgomery County Judge*
- c. Each groundwater conservation district that is wholly or partially included in the requested area:
- *Lone Star 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 Crystal Springs 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 once each week for two consecutive weeks in a newspaper having general circulation in the county where the requested area is located. 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, Crystal Springs 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 a 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, distribution system, and the Texas Pollutant Discharge Elimination System permit from the TCEQ once they are received. Crystal Springs must file the approval letters 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 Crystal Springs. Crystal Springs will have 20 days from the receipt of the RFI to respond.

Public Utility Commission of Texas

Memorandum

TO: Scott Miles, Attorney
Legal Division

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

DATE: September 16, 2021

RE: Docket No. 52440 – *Application of Crystal Springs Water Company, Inc. to Amend its Certificates of Convenience and Necessity in Montgomery County*

On August 17, 2021, Crystal Springs Water Company, Inc. filed an application to amend its water and sewer Certificates of Convenience and Necessity Nos. 11373 and 20906 in Montgomery County under Subchapter G of Texas Water Code Chapter 13.

I reviewed the answers provided to questions 28, 29, 30, and 31 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 application be deemed administratively complete from a financial perspective.

Notice for Publication

**NOTICE OF APPLICATION OF CRYSTAL SPRINGS WATER COMPANY, INC. TO
AMEND ITS CERTIFICATES OF CONVENIENCE AND NECESSITY TO PROVIDE
WATER AND SEWER UTILITY SERVICE IN MONTGOMERY COUNTY, TEXAS**

Crystal Springs Water Company, Inc. has filed an application with the Public Utility Commission of Texas to amend its Certificates of Convenience and Necessity (CCN) No. 11373 and CCN No. 20906 for the provision of retail water and sewer utility service in Montgomery County, Texas.

The requested area overlaps the district boundaries of the districts named below:

- East Montgomery County Improvement District
- San Jacinto River Authority

If the districts do not request a public hearing, the Commission shall determine that the districts are consenting to the Crystal Springs Water Company, Inc.'s request to provide retail water and sewer utility service in the requested area.

The requested area includes 0 customer connections, is located approximately 10 miles east of downtown Conroe, Texas, and is generally bounded on the north by Timber Rock Railroad; on the east by Jake Goodman Road; on the south by FM 2090; and on the west by Crockett Martin Road.

The requested area includes approximately 2,364 acres, comprised of 2,364 acres of uncertificated area.

The application proposes the addition of approximately 2,364 acres to CCN Nos. 11373 & 20906.

A copy of the map showing the requested area is available at: WaterEngineers, Inc., 17230 Huffmeister Road, Suite A, Cypress, TX 77429

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 OF CRYSTAL SPRINGS WATER COMPANY, INC. TO
AMEND ITS CERTIFICATES OF CONVENIENCE AND NECESSITY TO PROVIDE
WATER AND SEWER UTILITY SERVICE IN MONTGOMERY COUNTY, TEXAS

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

(Address)

(City State Zip)

Crystal Springs Water Company, Inc. has filed an application with the Public Utility Commission of Texas to amend its Certificates of Convenience and Necessity (CCN) No. 11373 and CCN No. 20906 for the provision of retail water and sewer utility service in Montgomery County, Texas.

The requested area overlaps the district boundaries of the districts named below:

- East Montgomery County Improvement District
- San Jacinto River Authority

If the districts do not request a public hearing, the Commission shall determine that the districts are consenting to the Crystal Springs Water Company, Inc.'s request to provide retail water and sewer utility service in the requested area.

The requested area includes 0 customer connections, is located approximately 10 miles east of downtown Conroe, Texas, and is generally bounded on the north by Timber Rock Railroad; on the east by Jake Goodman Road; on the south by FM 2090; and on the west by Crockett Martin Road.

The requested area includes approximately 2,364 acres, comprised of 2,364 acres of uncertificated area.

The application proposes the addition of approximately 2,364 acres to CCN Nos. 11373 & 20906.

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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PUBLIC UTILITY COMMISSION OF TEXAS



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, LANDOWNERS, NEIGHBORING UTILITIES, AND AFFECTED PARTIES

DOCKET NO. 52440

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. 52440

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 _____