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Control Number - 52464

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DOCKET NO. 52464

APPLICATION OF CREEKWOOD RANCHES WATER SUPPLY CORPORATION AND EAST MEDINA SPECIAL UTILITY DISTRICT FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN MEDINA COUNTY	§ § § § §	PUBLIC UTILITY COMMISSION OF TEXAS
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**JOINT SUPPLEMENTAL MOTION TO ADMIT EVIDENCE
AND PROPOSED NOTICE OF APPROVAL**

Applicants, Creekwood Ranches Water Supply Corporation (Creekwood Ranches WSC) and East Medina County Special Utility District (East Medina SUD) (collectively, Applicants), together with the Staff of the Public Utility Commission of Texas ("Staff") (collectively, the "Parties"), submit this Joint Supplemental Motion to Admit Evidence and Proposed Notice of Approval. In support thereof, the Parties show the following:

I. BACKGROUND

On March 22, 2022, the Applicants filed closing documents reflecting the consummation of East Medina SUD's acquisition of Creekwood Ranches WSC's facilities, real property, and certificated service area. Commission Staff filed its Recommendation on Sufficiency of Closing Documents on April 6, 2022, recommending that the Applicants' closing documentation be found sufficient. On April 6, 2022, the administrative law judge (ALJ) filed Order No. 8, finding the closing documents to be sufficient and requiring the Parties to jointly file a Proposed Notice of Approval, including Proposed Findings of Fact, Conclusions of Law and ordering paragraphs by May 18, 2022. On April 14, 2022, Commission Staff filed a request for an extension of time regarding the deadlines in Order No. 8. On April 19, 2022, the ALJ filed Order No. 9 granting Staff's extension, amending the

procedural schedule and requiring the Parties to jointly file a Proposed Notice of Approval, including Proposed Findings of Fact, Conclusions of Law and ordering paragraphs by June 6, 2022. Therefore, this pleading is timely filed.

II. JOINT SUPPLEMENTAL MOTION TO ADMIT EVIDENCE

The Parties move to admit the following items into the record evidence of this proceeding:

1. Applicants' Deed, Bill of Sale, and Assignment as recorded in the official records of Medina County, filed on March 22, 2022, (Interchange Item No. 19);
2. Applicants' consent forms, filed on May 12, 2022, (Interchange Item No.24); and
3. The attached maps and certificates.

III. PROPOSED NOTICE OF APPROVAL

The Parties move for adoption of the attached Proposed Notice of Approval.

IV. CONCLUSION

The Parties respectfully request that the items listed above be admitted into the record of this proceeding as evidence and that the Proposed Notice of Approval be adopted.

Dated: June 6, 2022

Respectfully submitted,

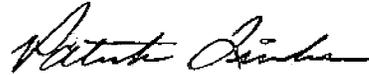
DAVIDSON TROILO REAM & GARZA, P.C.

601 NW Loop 410, Suite 100

San Antonio, Texas 78216

Telephone: (210) 349-6484

Facsimile: (210) 349-0041



By: _____

Patrick W. Lindner

State Bar No. 12367850

Email: plindner@dtgrglaw.com

Attorneys for Petitioner

East Medina County Special Utility District

**CREEKWOOD RANCHES WATER SUPPLY
CORPORATION**



By: _____

Diana Wright (signed by permission)

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Keith Rogas

Division Director

Sneha Patel

Managing Attorney

/s/ Forrest Smith

Forrest Smith

State Bar No. 24093643

1701 N. Congress Avenue

P.O. Box 13326

Austin, Texas 78711-3326

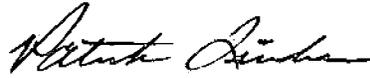
(512) 936-7388

(512) 936-7268 (facsimile)

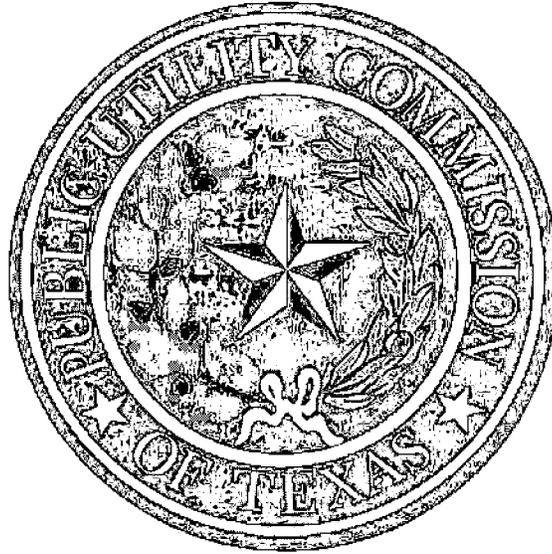
Forrest.Smith@puc.texas.gov

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 June 6, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.



Patrick W. Lindner



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Received - 2022-03-22 08:27:27 AM

Control Number - 52464

ItemNumber - 19

DOCKET NO. 52464

APPLICATION OF CREEKWOOD RANCHES WATER SUPPLY CORPORATION AND EAST MEDINA SPECIAL UTILITY DISTRICT FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN MEDINA COUNTY	§ § § § §	PUBLIC UTILITY COMMISSION OF TEXAS
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APPLICANTS' NOTICE OF COMPLETED TRANSACTION AND FILING OF CLOSING DOCUMENTS

Applicants, Creekwood Ranches Water Supply Corporation and East Medina County Special Utility District, submit the following in response to Order No. 7, Approving Sale and Transfer to Proceed, establishing a 30-day deadline after completion of the transfer for Applicants to file with the Commission proof that the transaction has been consummated and customer deposits, if any, have been addressed. The transaction contemplated by the Application was completed on March 7, 2022; therefore, this pleading is timely filed. In accordance with Order No. 7, Applicants file the following documents as evidence that the transaction has been made final. Creekwood Water Supply Corporation did not require or collect customer deposits, so no customer deposits were refunded or transferred. Creekwood Ranches required payment of a membership fee as a condition to service and the liability to refund these membership fees upon termination of service was transferred to East Medina County Special Utility District as part of the closing document. The closing document, captioned "DEED, BILL OF SALE .AND ASSIGNMENT," executed on behalf of Creekwood Ranches Water Supply Corporation on March 7, 2022 and recorded as Document No. 2022002609 in the Official Public Records, Medina County, Texas is attached. If there are any questions or issues regarding the attached information, please do not hesitate to contact Bruce Alexander, Superintendent, East Medina County Special Utility District, at 830.709.3879 or at baalexander@emcsud.dst.tx.us.

Respectfully submitted,

DAVIDSON TROILO REAM & GARZA, P.C.
601 NW Loop 410, Suite 100
San Antonio, Texas 78216
Telephone: (210) 349-6484
Facsimile: (210) 349-0041



By: _____

Patrick W. Lindner
State Bar No. 12367850
Email: plindner@dtrglaw.com

Attorneys for Petitioner
East Medina County Special Utility District

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 March 22, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.



Patrick W. Lindner



VG-27-2022-2022002609

Medina County
Gina Champion
Medina County Clerk

Instrument Number: 2022002609

Real Property Recordings

Recorded On: March 16, 2022 10:47 AM

Number of Pages: 5

" Examined and Charged as Follows: "

Total Recording: \$38.00

***** THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 2022002609
Receipt Number: 20220316000014
Recorded Date/Time: March 16, 2022 10:47 AM
User: Jaylen P
Station: cccash2

Record and Return To:

East Medina County Special Utility District
PO BOX 6628
DEVINE TX 78016



STATE OF TEXAS
Medina County

I hereby certify that this Instrument was filed in the File Number sequence on the date/time printed hereon, and was duly recorded in the Official Records of Medina County, Texas

Gina Champion
Medina County Clerk
Medina County, TX

Page 8

DEED, BILL OF SALE AND ASSIGNMENT

THE STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF MEDINA

§

§

That CREEKWOOD RANCHES WATER SUPPLY CORPORATION, a Texas non-profit water supply corporation ("Grantor"), for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) DOLLARS paid to Grantor by the EAST MEDINA COUNTY SPECIAL UTILITY DISTRICT, a Texas conservation and reclamation district, ("Grantee") and other good and valuable consideration, the receipt and sufficiency of all of which being hereby acknowledged and confessed by Grantor, including but not limited to Grantee's assumption of and agreement to pay, according to the terms, the Creekwood Ranches Water Supply Corporation note payable to Community National Bank (now called CN Bank), Hondo Texas (the "2011 Note ") dated July 19, 2011, in the original principal amount of \$315,000, which 2011 Note is secured by, among other things, a Deed of Trust in favor of the Community National Bank, as filed as document no 2011004511, Official Public Records of Medina County, Texas (the "Deed of Trust), the 2001 Note being modified and extended by an agreement dated July 19, 2021 and filed as Document No. 2021008730, Official Records of Medina County, Texas, and as further consideration Grantee promises to keep and perform all the covenants and obligations of Grantor to provide retail water service within the territory included within Grantor's certificate of convenience and necessity no. 11897 and to indemnify, defend, and hold Grantor harmless from any loss, attorney's fees, expenses, or claims attributable to a breach or default of any provision of this assumption by Grantee, and subject only to the exceptions, encumbrances and liens hereinafter set forth and described and no other, has granted, bargained, sold, conveyed and assigned, and by these presents does grant, bargain, sell, convey and assign unto Grantee, its successors and assigns, all the assets, real and personal, owned by Seller, including but not limited to the following particular assets:

- A. The tract or parcel of land situated in Medina County, Texas, where the Grantor's existing well(s) are located, consisting of Lot 29, Block E, Creek Wood Ranches Subdivision, Unit 1, according to the vacating and re-subdivision plat of record in Volume 7, Page 339, Medina County Plat Records., together with all improvements located on such real property.
- B. The rights to groundwater conveyed by special warranty deed from Raymond L. Jagge and wife dated July 19, 2011, and filed as document no. 2011004510, Official Records of Medina County, Texas.
- C. The right to produce forty (40) acre-feet per annum of unrestricted groundwater pursuant to Edwards Aquifer Authority Initial Regular Permit No. P101-502(ME00535) recorded at volume 398, page 225, Deed Records, Medina County, Texas.

- D. The right to produce fourteen and 265/1000 (14.265) acre-feet per annum of unrestricted groundwater pursuant to Edwards Aquifer Authority Initial Regular Permit No. 2001-ME00311 recorded as Document No. 2010001776, Official Public Records, Medina County, Texas.
- E. The equipment and facilities consisting of Grantor's water system, including but not limited to all wells, well-sites, raw water pumping equipment, raw water reservoirs, water treatment plants, storage tanks, pumps, pressure tanks and pumps, transmission and distribution mains, water in reservoirs, tanks and lines, meters and meter boxes, valves, hydrants, chlorinators and chemical feed equipment.
- F. Any and all easements, rights-of-way, leases, reservations, options, franchises, licenses and permits which are presently existing and are used or necessary in the proper and efficient maintenance and operation of the water facilities, including but not limited to a sanitary control easement dated May 28, 2015, document no. 2015006143, Official Records of Medina County.
- G. Any and all leases for real or personal property, subject to consent to assignment, if required in each lease, but there are none.
- E. Chemicals, parts inventories, tools, test equipment, laboratory equipment, keys and security codes, files and records, equipment warranties and service agreements, provided, however, this conveyance shall exclude office equipment, office supplies, office furniture, computers and peripheral equipment, computer software, disks, tapes and CDs, software licenses, telephones, such equipment being owned by the Creekwood Ranches Homeowners Association (a flash drive with data relating to Grantor's water system shall be delivered.
- F. Governmental permits held by Grantor necessary to operate the water system, specifically including but not limited to Grantor's certificate of convenience and necessity no. 11897 and public water system no. 1630029.
- G. Water system drawings and maps, all known correspondence with and report from any federal or state regulatory agencies, utility tariffs, lab reports, meter testing reports, and all customer-billing records.
- H. Grantor's rights under all contracts, bonds, insurance, and warranties.
- I. All of the accounts receivable due to Grantor as of the date of Closing.
- J. All funds on deposit in checking, savings or similar accounts, certificate of deposits, investments, and all funds in escrow or trustee accounts held for the benefit of Grantor, including but not limited to the checking and certificates of deposits in accounts at ~~TXN Bank Community National Bank~~ in Hondo, Texas and any other financial institutions with funds held for the benefit of Grantor.

All and singular the land, properties, rights, privileges, hereditaments, appurtenances, benefits, estates and interests above described and conveyed in and by these granting clauses being hereinafter collectively referred to as "Conveyed Properties."

This conveyance is expressly made subject to current taxes, restrictions, reservations, easements, royalty reservations and dedications of record. This conveyance is further made subject to the terms and conditions of the Deed of Trust, as described above.

TO HAVE AND TO HOLD the Conveyed Properties unto the said Grantee, its successors and assigns forever, and Grantor does hereby bind itself, its successors and assigns to warrant and forever defend all and singular the said premises against every person whomsoever lawfully claiming or to claim the same or any part thereof.

EXECUTED to be effective the 7th day of March, 2022.

CREEKWOOD RANCHES WATER SUPPLY CORPORATION,
a Texas non-profit water supply corporation

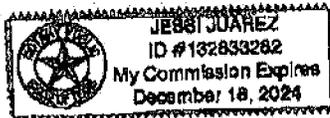
By: *Diana Wright*
Diana Wright,
President, Board of Directors

STATE OF TEXAS §

COUNTY OF MEDINA §

This instrument was acknowledged before me on the 7th day of March, 2022, by *Diana Wright*, President, Board of Directors, CREEKWOOD RANCHES WATER SUPPLY CORPORATION, on behalf of said corporation.

[SEAL]



[Signature]
Notary Public, State of Texas

ACCEPTED this 15th day of March, 2022.

**EAST MEDINA COUNTY SPECIAL UTILITY
DISTRICT, a Texas conservation and reclamation
district**

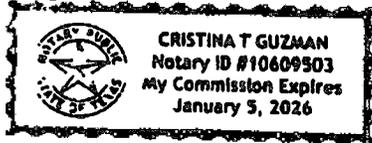
By: *Gina Mangold*
Gina Mangold
President, Board of Directors

STATE OF TEXAS §

COUNTY OF MEDINA §

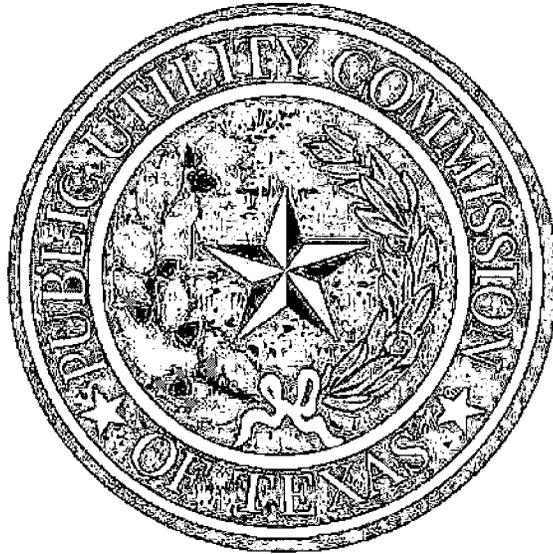
This instrument was acknowledged before me on the 15th day of March, 2022, by
Gina Mangold, President, Board of Directors, EAST MEDINA COUNTY SPECIAL UTILITY
DISTRICT, on behalf of said district.

[SEAL]



Cristina T. Guzman
Notary Public, State of Texas

AFTER RECORDING, RETURN TO:
East Medina County Special Utility District
P. O. Box 628
Devine, TX 78016



Filing Receipt

Received - 2022-05-12 02:30:50 PM
Control Number - 52464
ItemNumber - 24

CONSENT FORM

Docket No. 52464 – *Application of Creekwood Ranches Water Supply Corporation and East Medina Special Utility District for Sale, Transfer, or Merger of Facilities and Certificate Rights in Medina County*

I concur with the map transmitted by e-mail on May 11, 2022.

I do not concur with the map transmitted by e-mail on May 11, 2022.

I understand that I have until May 25, 2022 to provide my response.

I am authorized by Creekwood Ranches Water Supply Corporation to sign this form.

Signature: Diana Wright

Printed Name: Diana Wright

Relationship to Applicant: President

Date signed: 5/12/2022

Please upload the signed consent form to the PUC Interchange Filer at:
<https://interchange.puc.texas.gov/filer>.

You can find instructions for E-Filing the consent form at:
<http://www.puc.texas.gov/industry/filings/E-Filing%20Instructions.pdf>.

CONSENT FORM

Docket No. 52464 – *Application of Creekwood Ranches Water Supply Corporation and East Medina Special Utility District for Sale, Transfer, or Merger of Facilities and Certificate Rights in Medina County*

I concur with the map and certificate transmitted by e-mail on May 11, 2022.

I do not concur with the map and certificate transmitted by e-mail on May 11, 2022.

I understand that I have until May 25, 2022 to provide my response.

I am authorized by East Medina Special Utility District to sign this form.

Signature: Bruce A. Alexander

Printed Name: Bruce A. Alexander

Relationship to Applicant: Superintendent

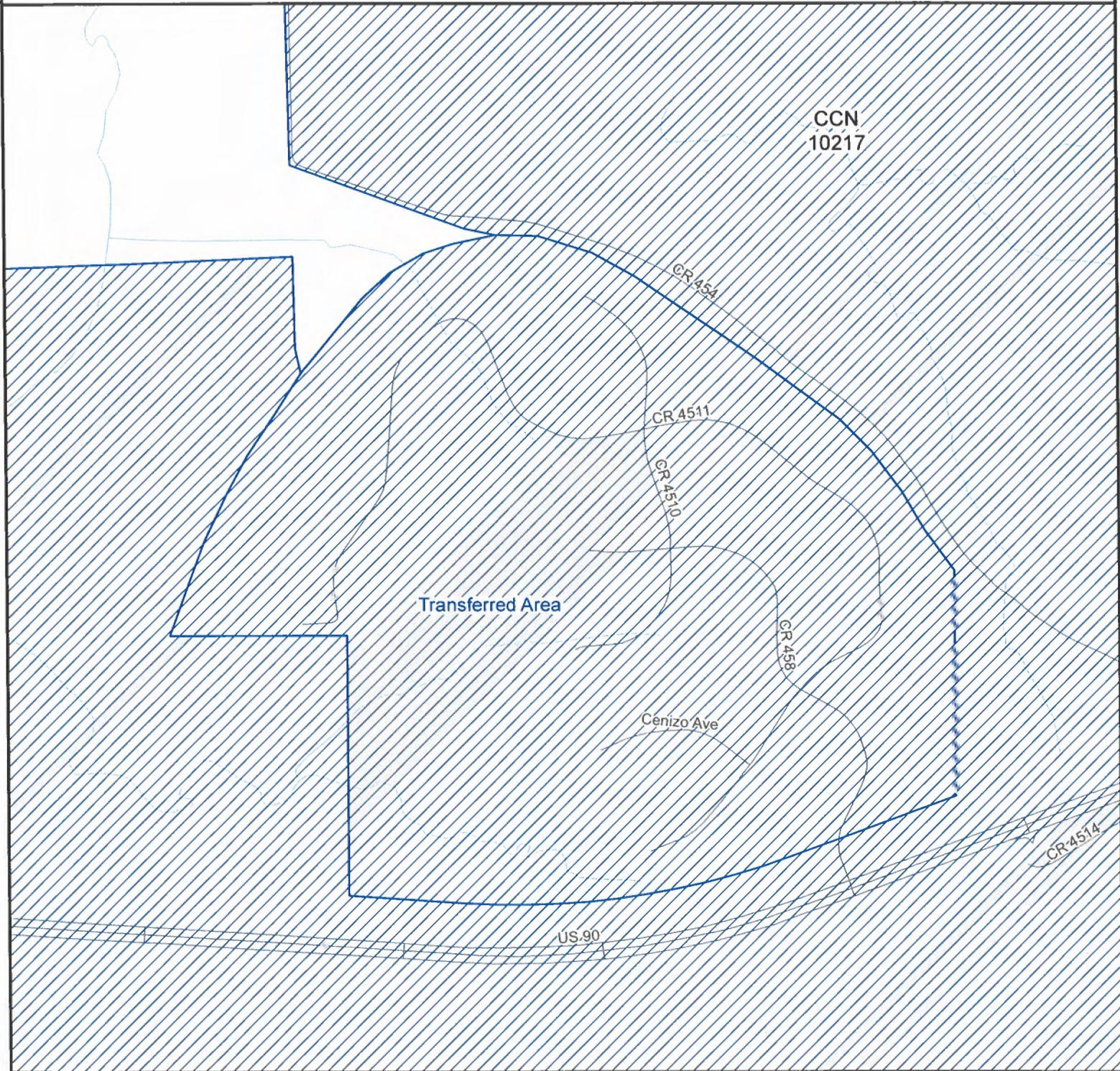
Date signed: May 12, 2022

Please upload the signed consent form to the PUC Interchange Filer at:
<https://interchange.puc.texas.gov/filer>.

You can find instructions for E-Filing the consent form at:
<http://www.puc.texas.gov/industry/filings/E-Filing%20Instructions.pdf>.

East Medina County Special Utility District
Portion of Water CCN No. 10217
PUC Docket No. 52464

Transferred all of Creekwood Ranches Water Supply Corporation, CCN No. 11897 in Medina County



Water CCN

 10217 - East Medina County SUD



Public Utility Commission of Texas

By These Presents Be It Known To All That

East Medina Special Utility District

having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, East Medina Special Utility District is entitled to this

Certificate of Convenience and Necessity No. 10217

to provide continuous and adequate water utility service to that service area or those service areas in Medina County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 52464 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the East Medina Special Utility District to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

DOCKET NO. 52464

APPLICATION OF CREEKWOOD RANCHES WATER SUPPLY CORPORATION AND EAST MEDINA SPECIAL UTILITY DISTRICT FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN MEDINA COUNTY	§ § § § §	PUBLIC UTILITY COMMISSION OF TEXAS
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JOINT PROPOSED NOTICE OF APPROVAL

This Notice of Approval addresses the application of Creekwood Ranches Water Supply Corporation (Creekwood Ranches WSC) and East Medina County Water Supply Corporation (East Medina SUD) (collectively, Applicants) for the sale, transfer, or merger of facilities in Medina County, Texas. The Commission approves the sale and transfer of all facilities and service area held under Creekwood Ranches WSC’s water Certificate of Convenience and Necessity (CCN) No. 11897 to East Medina SUD , the cancellation of Creekwood Ranches WSC’s water CCN No. 11897, and the amendment of East Medina Sud’s water CCN No. 10217 to include the area previously included in Creekwood Ranches WSC’s water CCN No. 11897, to the extent provided in this Notice of Approval.

I. Findings of Fact

The Commission makes the following findings of fact:

Applicants

1. Creekwood Ranches WSC is a non-profit, member-owned water supply corporation that operates, maintains, and controls facilities for providing water service in Medina County under CCN No. 11897.
2. Creekwood Ranches WSC owns and operates a public water system registered with the Texas Commission on Environmental Quality (TCEQ) as under identification number 1630029.
3. East Medina SUD is a Texas special utility district that operates, maintains, and controls facilities for providing water service in Medina County under CCN No.10217.

Application

4. On August 24, 2021, Creekwood Ranches WSC and East Medina SUD jointly filed the application at issue in this proceeding.
5. In the application, Creekwood Ranches WSC and East Medina SUD seek approval of the following transaction: (a) East Medina SUD will acquire all of Creekwood Ranches WSC's water facilities and water service area under water CCN No. 11897; (b) Creekwood Ranches WSC's water CCN No. 11897 will be cancelled; and (c) East Medina SUD's water CCN No. 10217 will be amended to include the area previously included in Creekwood Ranches WSC's water CCN No. 11897.
6. The requested area comprises of 355 acres and 161 connections.
7. The requested area is located approximately 1.0 miles east of Dunlay, Texas, and is within the Creekwood Ranches WSC's subdivision as platted in Medina County and generally bounded by East Medina SUD's CCN No. 10217.
8. In Order No. 2, filed on September 23, 2021, the ALJ deemed the application administratively complete.

Notice

9. On October 11, 2021, East Medina SUD filed the affidavit of Bruce Alexander, its superintendent, attesting that notice was provided to all current customers of Creekwood Ranches WSC, neighboring utilities, and affected parties on October 6, 2021.
10. In Order No. 3, filed on November 5, 2021, the ALJ found the notice sufficient.

Evidentiary Record

11. On February 1, 2022, the parties filed a joint motion to admit evidence.
12. In Order No. 6, filed on February 1, 2022, the ALJ admitted the following evidence into the record of this proceeding: (a) the application filed August 24, 2001; (b)

the Applicants' supplemental information filed on September 3, 2021(Interchange No. 3); (c) Applicants' supplemental information filed on September 3, 2021 (Interchange No. 4); (d) Applicant's supplemental information filed on September 21, 2021 (Interchange No. 5); (e) Commission Staff's recommendation on Administrative Completeness and Notice and Proposed Procedural Schedule filed on September 23, 2001; (f) East Medina SUD's affidavit of notice to current customers, neighboring utilities, and affected parties, filed on October 11, 2021; (g) Commission Staff's recommendation on sufficiency of notice, filed on November 4, 2021; (h) Commission Staff's recommendation on approval of the transaction, filed on December 1, 2021.

13. On June 6, 2022, the parties filed a joint supplemental motion to admit evidence.
14. In Order No. _____ filed on _____, the ALJ admitted the following evidence in the record: (a) the Applicants' deed, bill of sale and assignment, filed on March 22, 2022 ; (b) Commission Staff's recommendation on sufficiency of closing documents filed on April 6, 2022; (c) the Applicants' consent forms filed on May 12, 2022; and (d) the map and certificates attached to the joint supplemental motion to admit evidence and joint proposed notice of approval filed on June 6, 2022.

Sale

15. In Order No. 7 filed on March 1, 2022, the ALJ approved the sale and transaction to proceed and required the applicants to file proof that the transaction had closed and customer deposits had been addressed.
16. On March 22, 2022, the Applicants filed notice that the sale had been closed on March 7, 2022.
17. In Order No. 8 filed on April 6, 2022, the ALJ found the closing documents sufficient.

Cumulative Recommendation

On December 1, 2021, Commission Staff filed its recommendation regarding the transaction in this docket recommending that EMCSUD has the financial, managerial,

and technical capability to provide continuous and adequate service to the area included in this docket.

System Compliance

18. East Medina SUD has not been subject to any unresolved enforcement action by the Commission, the TCEQ, the Texas Department of Health and Human Services, the Office of the Attorney General of Texas, or the United States Environmental Protection Agency in the past five years for non-compliance with rules, orders, or state statutes.
19. East Medina SUD demonstrated a compliance history that is adequate for approval of the sale to proceed.

Adequacy of Existing Service

20. There are currently 161 connections in the 355-acre requested area that is being served by Creekwood Ranches WSC through public water system, identification number 1630029.
21. Creekwood's water system complies with TCEQ regulations.

Need for Additional Service

22. There is a continuing need for service because Creekwood Ranches WSC is currently providing service to 161 connections in the requested area.
23. This is an application to transfer only existing facilities, customers, and service area. There have been no specific requests for additional service within the 355-acre requested area.

Effect of Approving the Transaction and Granting the Amendment

24. Approving the sale and transfer to proceed and granting the CCN amendment will obligate East Medina SUD to provide continuous and adequate water service to current and future customers in the 355-acre requested area.
25. Because this application is to transfer only existing facilities, customers, and service

area, there will be no effect on any other retail public utility servicing the proximate area.

26. There will be no effect on landowners as the area is currently certificated.
27. East Medina SUD will adopt Creekwood Ranches WSC's current rates applicable within the requested area upon the consummation of the transaction.

Ability to Serve: Managerial and Technical

28. East Medina SUD owns and operates three public water systems registered with TCEQ under and does not have any active violations listed in the TCEQ database
29. East Medina SUD employs or contracts with TCEQ-licensed water operators who will operate the public water system.
30. East Medina SUD intends to continue to keep the water systems in compliance with TCEQ regulations and to ensure customers receive safe and reliable service within a reasonable time upon consummation of the transaction.
31. East Medina SUD has the technical and managerial capability to provide adequate and continuous service to the requested area.

Ability to Serve: Financial Ability and Stability

32. East Medina SUD demonstrated the financial and managerial ability and stability to provide continuous and adequate service to the requested area.

Financial Assurance

33. There is no need to require EMCSUD to provide a bond or other financial assurance to ensure continuous and adequate service.

Feasibility of Obtaining Service from Adjacent Retail Public Utility

34. The requested area is currently being served by Creekwood Ranches WSC, and there will be no changes to land uses or existing CCN boundaries.
35. East Medina SUD intends to continue to ensure the system has sufficient capacity and that service provided to the requested area is adequate.

Environmental Integrity and Effect on the Land

36. The requested area will continue to be served with existing infrastructure.
37. There will be minimal effects on environmental integrity and on the land as a result of East Medina SUD's ownership and operation of Creekwood Ranches WSC's public water system.

Improvement of Service or Lowering Cost to Consumers

38. East Medina SUD intends to improve the safety and reliability of service.
39. The rates charged to customers in the requested area will not change as a result of the proposed transaction because East Medina SUD will adopt the currently in effect tariff for the Creekwood Ranches WSC's water system upon consummation of the transaction.

Regionalization or Consolidation

40. East Medina SUD will not need to construct a physically separate water system to continue serving the requested area; therefore, concerns of regionalization or consolidation do not apply.

Tariff, Maps, and Certificate

41. On May 11, 2022, Commission Staff emailed to the Applicants the final proposed maps and certificates related to this docket.
42. On May 12, 2022, Creekwood Ranches WSC and East Medina SUD filed their consent forms concurring with the proposed final map and certificate.
43. On June 6, 2022, the final map and certificate were included as attachments to the Joint Supplemental Motion to Admit Evidence and Joint Proposed Notice of Approval.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. The Commission has authority over this proceeding under TWC §§ 13.041, 13.241,

13.244, 13.246, 13.251, and 13.301.

2. Creekwood and East Medina SUD are retail public utilities as defined by TWC § 13.002(19) and 16 TAC § 24.3(31).
3. Notice was provided in compliance with TWC §§ 13.246 and 13.301(a)(2) and 16 TAC § 24.239.
4. The Commission processed the application as required by the TWC, the Administrative Procedure Act,¹ and Commission Rules.
5. Creekwood and East Medina SUD have complied with the requirements of 16 TAC § 24.239(k) with respect to customer deposits.
6. Creekwood and East Medina SUD completed the sale within the time required by 16 TAC§ 24.239(m).
7. After consideration of the factors in TWC § 13.246(c), East Medina SUD demonstrated adequate financial, managerial, and technical capability for providing adequate and continuous service to the requested area as required by TWC §§ 13.241 and 13.301(b) and 16 TAC § 24.239.
8. Creekwood Ranches WSC and East Medina SUD demonstrated that the sale of Creekwood Ranches WSC's water facilities and the transfer of the water service area held under CCN No. 11897 from Creekwood Ranches WSC to East Medina SUD will serve the public interest and is necessary for the service, accommodation, convenience, and safety of the public as required by TWC §§ 13.301(d) and 13.301(e).
9. East Medina SUD meets the requirements of TWC §§ 13.241(b) and 13.301(b) to provide water utility service.
10. It is not necessary for East Medina SUD to provide a bond or other financial assurance under TWC §§ 13.246(d) and 13.301(c).

¹ Tex. Gov't Code §§ 2001.001-.903.

11. East Medina SUD must record a certified copy of its certificate granted and map approved by this Notice of Approval, along with a boundary description of the service area, in the real property records of Medina County within 31 days of receiving this Notice of Approval and submit to the Commission evidence of the recording. TWC § 13.257(r), (s).
12. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.

III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders:

1. The Commission approves the sale and transfer of the facilities and requested area from Creekwood Ranches WSC's water CCN No. 11897 to East Medina SUD to be held under water CCN No. 10217, the cancellation of Creekwood Ranches WSC's water CCN No. 11897, and the amendment of East Medina SUD's water CCN No. 10217 to include the facilities and service area previously included in Creekwood Ranches WSC's water CCN No. 11897, to the extent provided in this Notice of Approval.
2. The Commission approves the map attached to this Notice of Approval.
3. The Commission issues the certificate attached to this Notice of Approval.
4. East Medina SUD must serve every customer and applicant for service within the approved area under water CCN No. 10217 that requests service and meets the terms of East Medina SUD's water service, and such service must be continuous and adequate.
5. East Medina SUD must comply with the recording requirements in TWC § 13.257(r) and (s) for the areas in Medina County, Texas affected by the application and must submit to the Commission evidence of the recording no later than 45 days after receipt of this Notice of Approval.

6. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the _____ day of _____ 2022.

PUBLIC UTILITY COMMISSION OF TEXAS

Gregory R. Siemankowski
Administrative Law Judge