



## Filing Receipt

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**DOCKET NO. 52616**

<b>APPLICATION OF AUS-TEX PARTS &amp; SERVICES, LTD. AND RAILYARD</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>UTILITY COMPANY LLC FOR SALE,</b>	<b>§</b>	
<b>TRANSFER, OR MERGER OF</b>	<b>§</b>	<b>OF TEXAS</b>
<b>FACILITIES AND CERTIFICATE</b>	<b>§</b>	
<b>RIGHTS IN HAYS COUNTY</b>	<b>§</b>	

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

On September 17, 2021, Aus-Tex Parts & Services, Ltd. (Aus-Tex) and Railyard Utility Company LLC (Railyard Utility) (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Hays County. Specifically, the Applicants are seeking approval of the sale and transfer of all facilities and service area under Aus-Tex’s sewer Certificate of Convenience and Necessity (CCN) number 20875 to Railyard Utility. Railyard Utility is seeking to retain Aus-Tex’s sewer CCN number 20875. The requested sewer service area consists of approximately 205.9 acres and 354 customer connections. The Applicants filed supplemental information on November 10, 2021.

On October 18, 2021, the administrative law judge (ALJ) filed Order No. 2, establishing a deadline of December 15, 2021 for the Staff of the Public Utility Commission of Texas (Staff) to file a supplemental recommendation regarding the administrative completeness of the application, along with a proposed procedural schedule, if appropriate. Therefore, this pleading is timely filed.

**I. ADMINISTRATIVE COMPLETENESS**

Staff has reviewed the application as supplemented and, as detailed in the attached memoranda from Jolie Mathis of the Commission’s Infrastructure Division, and from Fred Bednarski and Kathryn Eiland of the Commission’s 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.

## **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 Ms. Mathis' attached memorandum using the notice form provided by Ms. Mathis. 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 Ms. Mathis' 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	December 17, 2021
Deadline for Staff to file a recommendation on the sufficiency of the notice	January 4, 2022
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 that an order be filed in accordance with Staff's recommendations.

Dated: November 22, 2021

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

Rachelle Nicolette Robles  
Division Director

Eleanor D' Ambrosio  
Managing Attorney

/s/ Jenna Keller  
Jenna Keller  
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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 November 22, 2021, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Jenna Keller  
Jenna Keller

# *Public Utility Commission of Texas*

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## **Memorandum**

**TO:** Jenna Keller, Attorney  
Legal Division

**FROM:** Jolie Mathis, Utility Engineering Specialist  
Infrastructure Division

**DATE:** November 19, 2021

**RE:** Docket No. 52616 – *Application of Aus-Tex Parts & Services, Ltd. and Railyard Utility Company LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Hays County*

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On September 17, 2021, Railyard Utility Company LLC (Railyard Utility) and Aus-Tex Parts & Services, Ltd. (Aus-Tex) (collectively, Applicants) filed an application for sale, transfer, or merger (STM) of facilities and certificate rights in Hays County, Texas, under Texas Water Code (TWC) § 13.301 and 16 Texas Administrative Code (TAC) § 24.239.

Specifically, Railyard Utility seeks approval to acquire all of the facilities and to transfer all of the sewer service area from Aus-Tex (dba The Railyard Wastewater Treatment Plant) under sewer Certificate of Convenience and Necessity (CCN) No. 20875.

The requested area includes 354 customer connections comprised of 206 acres of transferred area from CCN No. 20875.

Based on the mapping review by Gary Horton, Infrastructure Division, maps submitted on September 17, 2021 are sufficient. Based on my technical and managerial review of the additional information filed on November 10, 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:
    - *Aqua Texas, Inc. (CCN No. 21116);*
    - *Caldwell County MUD 2;*

- *Caldwell Valley MUD 1;*
  - *Canyon Regional Water Authority;*
  - *City of Kyle (CCN No. 20410);*
  - *City of Lockhart;*
  - *City of Martindale;*
  - *City of Niederwald;*
  - *City of San Marcos (CCN No. 20116);*
  - *City of Uhland;*
  - *Cotton Center MUD 1;*
  - *Cotton Center MUD 2;*
  - *County Line SUD (CCN No. 21119);*
  - *Crosswinds MUD;*
  - *Gristmill Utility Company LLC (CCN No. 21122);*
  - *Guadalupe-Blanco River Authority;*
  - *JDB Turner Crest Wastewater LLC (CCN No. 21004);*
  - *LaSalle MUD 1;*
  - *LaSalle MUD 4;*
  - *LaSalle MUD 5;*
  - *Maxwell SUD;*
  - *Parklands MUD 1;*
  - *Ranch at Clear Fork Creek MUD 1;*
  - *Ranch at Clear Fork Creek MUD 2; and*
  - *Upper San Marcos Watershed Reclamation & Flood Control District*
- b. The county judge of each county that is wholly or partially included in the requested area:
- *Hays County Judge.*
- c. Each groundwater conservation district that is wholly or partially included in the requested area:
- *Barton Springs/Edwards Aquifer Conservation District; and*
  - *Plum Creek 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 <https://www14.tceq.texas.gov/iwud/index.cfm>.

- 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.

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 Railyard Utility and Aus-Tex. Railyard Utility and Aus-Tex will have 20 days from the receipt of the RFI to file a response.

# *Public Utility Commission of Texas*

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## **Memorandum**

**TO:** Jenna Keller, Attorney  
Legal Division

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

**DATE:** November 22, 2021

**RE:** Docket No. 52616 - *Application of Aus-Tex Parts & Services, Ltd. and Railyard Utility Company LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Hays County*

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On September 17, 2021, Aus-Tex Parts & Services, Ltd. and Railyard Utility Company LLC filed an application for the sale and transfer of facilities and certificate rights in Hays County under the provisions of Texas Water Code § 13.301 and 16 Texas Administrative Code § 24.239.

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



***Notice to Current Customers, Neighboring Systems, and Cities***  
RAILYARD UTILITY COMPANY LLC, NOTICE OF INTENT TO PURCHASE SEWER  
FACILITIES AND TO TRANSFER SEWER SERVICE AREA UNDER CCN NO. 20875  
FROM AUS-TEX PARTS & SERVICES, LTD. IN HAYS COUNTY, TEXAS

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

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(City State Zip)

<u>Railyard Utility Company, LLC</u>	<u>P.O. Box 701201</u>	<u>San Antonio, TX</u>	<u>78270</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 sewer facilities and to transfer sewer certificated service area under CCN No. 20875, in Hays County, TX from:

<u>Aus-Tex Parts and Services, Ltd.</u>	<u>P.O. Box 17547</u>	<u>Austin, TX</u>	<u>78760</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:  
Great Hills Subdivision.

The requested area includes 354 customer connections, is located approximately 3 miles north of downtown Uhland, Texas, and is generally bounded on the north by Coronado Lane; on the east by Lonie Lane; on the south by High Road; and on the west by Lilac Way.

The requested area includes approximately 206 acres, comprised of 206 acres of transferred area (from CCN No. 20875).

The application proposes the transfer of approximately 206 acres from CCN No. 20875.

**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.

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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. 52616

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