



## Filing Receipt

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**DOCKET NO. 52880**

<b>APPLICATION OF TEXAS LANDING UTILITIES AND CSWR-TEXAS UTILITY OPERATING COMPANY, LLC FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN POLK AND MONTGOMERY COUNTIES</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
	<b>§</b>	
	<b>§</b>	<b>OF TEXAS</b>
	<b>§</b>	
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	<b>§</b>	

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

On November 22, 2021, Texas Landing Utilities (Texas Landing) and CSWR-Texas Utility Operating Company, LLC (CSWR Texas) (collectively, the Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Polk and Montgomery Counties. Specifically, CSWR Texas seeks approval to acquire facilities and to transfer water and sewer service are held under Certificate of Convenience and Necessity (CCN) Nos. 11997 and 20569. The requested water area includes 310 water customer connections and approximately 844 acres of transferred area, the requested sewer area includes 119 sewer customer connections approximately 93 acres of transferred area.

On January 4, 2022, the administrative law judge (ALJ) filed Order No. 2 requiring Staff (Staff) of the Public Utility Commission of Texas (Commission) to file comments on the administrative completeness of the application and proposed notice and propose a procedural schedule for 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 Jolie Mathis of the Infrastructure Division and Fred Bednarski III and Kathryn Eiland of the 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 the

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 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	February 22, 2022
Deadline for Staff to file a recommendation on sufficiency of notice	March 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 the entry of an order consistent with these recommendations.

Dated: January 21, 2022

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

Rachelle Nicolette Robles  
Division Director

Rustin Tawater  
Managing Attorney

/s/ Arnett D. Caviel

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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 January 21, 2022, 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:** Jolie Mathis, Utility Engineering Specialist  
Infrastructure Division

**DATE:** January 21, 2022

**RE:** Docket No. 52880 – *Application of Texas Landing Utilities and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Polk and Montgomery Counties*

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On November 22, 2021, CSWR-Texas Utility Operating Company, LLC (CSWR Texas) and the Texas Landing Utilities (Texas Landing) (collectively, the Applicants) filed an application for sale, transfer, or merger (STM) of facilities and certificate rights in Polk and Montgomery Counties, Texas, under Texas Water Code (TWC) § 13.301 and 16 Texas Administrative Code (TAC) § 24.239.

Specifically, CSWR Texas, water Certificate of Convenience and Necessity (CCN) No. 13290 and sewer CCN No. 21120, seeks approval to acquire facilities and to transfer all of the water and sewer certificated service area from Texas Landing under water CCN No. 11997 and sewer CCN No. 20569.

The **total requested water area** includes **310 water customer connections** and approximately **844 acres** of transferred area from Texas Landing Utilities (CCN No. 11997) to CSWR (CCN No. 13290).

The **total requested sewer area** includes **119 sewer customer connections** approximately **93 acres** of transferred area from Texas Landing Utilities (CCN No. 20569) to CSWR (CCN No. 21120).

Based on the mapping review by Tracy Montes, of the Infrastructure Division, the small-scale maps (Attachment L) submitted with Item 14 on December 21, 2021, and the large scale maps (Attachment M) submitted with Item 15 on December 22, 2021 are sufficient. Based on my technical and managerial review of the information filed, 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 Nos. 13203, 21065)*
  - *C & R Water Supply Inc. (CCN Nos. 13098, 20987), Pending Docket 51040*
  - *City of Cleveland (CCN No. 13217)*
  - *City of Livingston*
  - *Crystal Springs Water Company Inc. (CCN Nos. 11373, 20906), Pending Docket No. 52440*
  - *Highline Oaks Water Utility (CCN No. 13006)*
  - *Lake Livingston Water Supply Corporation (WSC) (CCN No. 10147), Pending Docket 50424*
  - *Mercy WSC (CCN No. 11652)*
  - *Monarch Utilities I LP (CCN Nos. 12983, 20899), Pending Docket 50424*
  - *Pine Knob Estates Water (CCN No. 12948)*
  - *Tempe WSC 1 (CCN No. 11579)*
  - *Town of Cut and Shoot (CCN No. 11615)*
  - *Undine Texas LLC (CCN No. 13260)*
  - *Utilities Investment Company Inc. (CCN No. 12671)*
  - *East Montgomery County Improvement District*
  - *Memorial Point Utility District*
  - *San Jacinto River Authority*
  - *Trinity River Authority of Texas*
  
- b. The county judge of each county that is wholly or partially included in the requested area:
  - *Polk County Judge*
  - *Montgomery County Judge*
  
- c. Each groundwater conservation district that is wholly or partially included in the requested area:
  - *Li Lone Star Groundwater Conservation District*
  - *Lower Trinity Groundwater 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, 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:** January 21, 2022

**RE:** Docket No. 52880 - *Application of Texas Landing Utilities and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Polk and Montgomery Counties*

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On November 22, 2021, Texas Landing Utilities and CSWR-Texas Utility Operating Company LLC (collectively, the Applicants) filed an application for the sale and transfer of facilities and certificates rights in Polk and Montgomery Counties under the provisions of Texas Water Code § 13.301 and 16 Texas Administrative Code § 24.239. The Applicants supplemented the application on December 14, 2021, December 21, 2021, December 22, 2021, January 12, 2022, and January 13, 2022.

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**

CSWR-TEXAS UTILITY OPERATING COMPANY, LLC, CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NOS. 13290 AND 21120, NOTICE OF INTENT TO PURCHASE WATER AND SEWER FACILITIES AND TO TRANSFER WATER AND SEWER SERVICE AREA UNDER CCN NOS. 11997 AND 20569 FROM TEXAS LANDING UTILITIES IN POLK AND MONTGOMERY COUNTIES, TEXAS

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

CSWR-Texas Utility Operating Co. 1650 Des Peres Rd. Suite 303, St. Louis, MO 63131  
(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. 11997 and all of the sewer facilities and to transfer sewer certificated service area under CCN No. 20569, in Polk and Montgomery Counties, TX from:

Texas Landing Utilities P.O. Box 2110 Onalaska, TX 77360  
(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:  
Deerwood (Sections 3, 4, 5, & 6), Goode City, Texas Landing, Mangum Estates, & Bullfrog Basin.

**Deerwood (Deerwood Subdivision- Sections 3, 4, 5, & 6) in Montgomery County:**

The *requested water area* includes 101 customer connections, is located approximately 9 miles east of downtown Conroe, Texas, and is generally bounded on the north by Cabo San Lucas; on the east and south by White Rock Road; and on the west by Crockett Martin Road. The *requested water area* includes approximately 128 acres.

**Goode City in Montgomery County:**

The *requested water area* includes 67 customer connections, is located approximately 5 miles west of downtown Cleveland, Texas, and is generally bounded on the north by a point .25 mile north of Solon Trail; on the east by a point .3 mile east of Gill Road; on the south by BNSF Railroad; and on the west by Lee Turner Road and Highway 105 East. The *requested water area* includes approximately 205 acres.

**TX Landing Area 1** (includes Texas Landing, Mangum Estates, and Bullfrog Basin Subdivisions) in Polk County:

The *requested water area* includes 47 customer connections, is located approximately 4 miles west of downtown Livingston, Texas, and is generally bounded on the north by West Tempe Creek; on

the east by East Tempe Creek; on the south by Terrell Road and Mr. Service; and on the west by the intersection of Mangum Road and Sparrow Hawk Drive. The *requested water area* includes approximately 418 acres of transferred area from Texas Landing Utilities (CCN No. 11997) to CSWR (CCN No. 13290).

**TX Landing Area 2 and TX Landing Sewer** (includes Texas Landing Subdivision) in Polk County:

The *requested water and sewer area* includes 95 water and 119 sewer customer connections, is located approximately 6 miles west of downtown Livingston, Texas, and is generally bounded on the north by Bird Lane; on the east by Farm to Market 3126; on the south by Chuckwagon; and on the west by Lake Livingston. The *requested water area* and *sewer area* includes approximately 93 acres of transferred area from Texas Landing Utilities (CCN Nos. 11997 and 20569) to CSWR (CCN Nos. 13290 and 21120).

- The **total requested water area** includes **310 water customer connections** and approximately **844 acres** of transferred area from Texas Landing Utilities (CCN No. 11997) to CSWR (CCN No. 13290).
- The **total requested sewer area** includes **119 sewer customer connections** approximately **93 acres** of transferred area from Texas Landing Utilities (CCN No. 20569) to CSWR (CCN No. 21120).

**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. 52880

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