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DOCKET NO. 53243

APPLICATION OF MAUKA WATER LP	§	PUBLIC UTILITY COMMISSION
AND JAMES A. DYCHE DBA CREST	§	
WATER COMPANY FOR SALE,	§	OF TEXAS
TRANSFER, OR MERGER OF	§	
FACILITIES AND CERTIFICATE	§	
RIGHT IN JOHNSON COUNTY	§	

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

On February 18, 2022, Mauka Water LP (Mauka Water) and James A. Dyche dba Crest Water Company (Crest Water) (jointly, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate of convenience and necessity (CCN) rights in Johnson County. Applicants seek approval to sell and transfer Mauka Water's facilities and all of Mauka Water's certificated area under CCN No. 12917 to Crest Water. The application reflects a requested area of 340 acres and 339 customers. Applicants filed supplemental information on March 2, 22, and 25, 2022, April 18, and May 31, 2022.

On May 20, 2022, the administrative law judge filed Order No. 3, directing the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a supplemental recommendation regarding the administrative completeness of the application, proposed notice and propose a procedural schedule by June 4, 2022. 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 James Harville of the Infrastructure Division and Ethan Blanchard 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 Mr. Harville's memorandum using the attached notice form. 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 Mr. Harville's 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:

Event	Date
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	July 18, 2022
Deadline for Staff to file a recommendation on sufficiency of notice	July 28, 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 from Mr. Harville, and that the proposed procedural schedule be adopted. Staff respectfully requests the entry of an order consistent with these recommendations.

Dated: June 3, 2022

Respectfully submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Keith Rogas Division Director

Robert Dakota Parish Managing Attorney

/s/ Ian Groetsch
Ian Groetsch
State Bar No. 24078599
Kevin R. Bartz
State Bar No. 24101488
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7465
(512) 936-7268 (facsimile)
ian.groetsch@puc.texas.gov

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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 June 3, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Ian Groetsch
Ian Groetsch

Public Utility Commission of Texas

Memorandum

TO: Kevin Bartz, Attorney

Legal Division

FROM: James Harville, Infrastructure Analyst

Infrastructure Division

DATE: June 3, 2022

RE: Docket No. 53243 – Application of Mauka Water LP and James A. Dyche dba

Crest Water Company for Sale, Transfer, or Merger of Facilities and

Certificate Right in Johnson County

James A. Dyche dba Crest Water Company (Crest Water) and Mauka Water LP (Mauka Water) (collectively, Applicants) filed an application for sale, transfer, or merger (STM) of facilities and certificate rights in Johnson County, Texas, under Texas Water Code (TWC) § 13.301 and 16 Texas Administrative Code (TAC) § 24.239.

Specifically, Crest Water, Certificate of Convenience and Necessity (CCN) No. 12037, seeks approval to acquire facilities and to transfer all of the water service area from Mauka Water under water CCN No. 12917.

Based on the mapping review by Dave Babicki, Infrastructure Division, the maps submitted with Item 4 on March 2, 2022 are sufficient.

The requested area includes 339 customer connections and approximately 371 acres, comprised of transferred area from Mauka Water (CCN No. 12917) to Crest Water (CCN No. 12037).

The application proposes the subtraction of approximately 371 acres from CCN No. 12917 and the addition of approximately 371 acres to CCN No. 12037.

The application indicates that the total acreage being requested is approximately 340 acres. Based on the mapping review by Dave Babicki, Infrastructure Division, it was determined the requested area is approximately 371 acres.

Based on my technical and managerial review of the additional information filed on March 22, 2022, March 25, 2022, April 18, 2022, and May 31, 2022, 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:
 - City of Venus
 - Johnson County Fresh Water Supply District (FWSD) 2
 - Trinity River Authority of Texas
 - City of Midlothian (CCN No. 11706)
 - Ellis County FWSD 1 (CCN No. 13107)
 - Johnson County FWSD 2 (CCN No. 13111)
 - Johnson County Special Utility District (SUD) (CCN No. 10081)
 - Monarch Utilities I LP (CCN No. 12983)
 - Mountain Peak SUD (CCN No. 10908)
 - b. The county judge of each county that is wholly or partially included in the requested area:
 - Johnson County Judge
 - c. Each groundwater conservation district that is wholly or partially included in the requested area:
 - Prairielands 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, 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 Crest Water and Mauka Water. Crest Water and Mauka Water will have 20 days from the receipt of the RFI to respond.

Public Utility Commission of Texas

Memorandum

TO: Kevin Bartz

Legal Division

FROM: Ethan Blanchard

Kathryn Eiland

Rate Regulation Division

DATE: June 3, 2022

RE: Docket No. 53243 – Application of Mauka Water LP and James A. Dyche dba

Crest Water Company for Sale, Transfer, or Merger of Facilities and Certificate

Right in Johnson County

On February 18, 2022, Mauka Water LP (Mauka Water) and James A. Dyche dba Crest Water Company (Crest Water) filed an application for the sale and transfer of facilities and certificate rights in Johnson 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

JAMES A. DYCHE DBA CREST WATER COMPANY, CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO. 12037, NOTICE OF INTENT TO PURCHASE WATER FACILITIES AND TO TRANSFER WATER SERVICE AREA UNDER CCN NO. 12917 FROM MAUKA WATER LP IN JOHNSON COUNTY, TEXAS

			Dat	te Notice Mailed:	, 20
(Name of Customer	, Neighboring Sys	tem, or City)			
(Address)				-	
(City	State	Zip)		-	
s A. Dyche dba C	Crest Water Co	ompany	PO Box 460	Keene, TX	76059
aser'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. 12917 in Johnson County, TX from:

Mauka Water LP	PO Box 613	Mansfield, TX	76063
(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:

The requested area includes <u>339</u> customer connections, is located approximately <u>2.4</u> miles <u>northwest</u> of downtown <u>Venus</u>, Texas, and is generally bounded on the north by <u>County Road 510</u>; on the east by <u>North Farm to Market Road 157</u>; on the south by <u>North Farm to Market Road 157</u> and <u>County Road 507</u>; and on the west by <u>County Road 616</u>.

The requested area includes approximately <u>371</u> acres, comprised of transferred area from Mauka Water, LTD (CCN No. 12917) to James A. Dyche (CCN No. 12037).

The application proposes the subtraction of approximately <u>371</u> acres from CCN No. 12917 and the addition of approximately <u>371</u> acres to CCN No. 12037.

See enclosed map showing the requested area.

The proposed transaction may change the current customers' rates and services to the current approved rates and services of James A. Dyche dba Crest Water Company, which are higher than the current rate for a 5/8" meter for Mauka Water LP. To request a copy of the current approved tariff, email mldyche@gmail.com or call 817-645-5493.

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, Notice Form Updated: March 31, 2022

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 e	n español, puede llamar	al 1-888-782-8477.
Utility Representative		
J 1		
Utility Name		

PUBLIC UTILITY COMMISSION OF TEXAS



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, NEIGHBORING UTILITIES, AND AFFECTED PARTIES DOCKET NO. 53243

STATE OF TEXAS		
COUNTY OF		
		has provided individual
notice to the following entities and custome	is.	DATE OF NOTICE
	_ _ _	
	OATH	
owner, member of partnership, title of office applicant); that in such capacity, I am qual personally familiar with the notices given w requirements in the application and application and matters set for therein are true and correspondent.	(indicate release of corporation, or other of corporation, or other ified and authorized to with this application, and on acceptance letter; are	lationship to applicant, that is, ner authorized representative of file and verify such form, amd have complied with all notice
Applicant's Authorized Representative		
If the applicant to this form is any person oth or its attorney, a properly verified Power of		
Subscribed and sworn to before me this to certify which witness my hand and seal of	day of	
Notary Public in and for the State of Texas		
Print or Type Name of Notary Public		
Commission Expires		
Notice Form Updated: March 31, 2022		