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DOCKET NO. 53259

APPLICATION OF CSWR-TEXAS	§	PUBLIC UTILITY COMMISSION
UTILITY OPERATING COMPANY	§	
LLC AND CODY AND ANITA LEWIS	§	
DBA CASSIE WATER COMPANY FOR	§	OF TEXAS
SALE, TRANSFER, OR MERGER OF	§	
FACILITIES AND CERTIFICATE	§	
RIGHTS IN BURNET AND LLANO	§	
COUNTIES	§	

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

On February 22, 2022, CSWR-Texas Utility Operating Company, LLC (CSWR Texas) and Cody and Anita Lewis dba Cassie Water Company, Deer Springs Water Company, and Water Works I and II filed an application for approval of the sale, transfer, or merger of facilities and certificate of convenience and necessity (CCN) rights in Burnet and Llano counties. On March 29, 2022, Staff (Staff) of the Public Utility Commission of Texas (Commission) requested that Docket No. 53259 be severed into three separate dockets, one for each system. On April 4, 2022, the administrative law judge (ALJ) filed Order No. 2, severing the proceedings, restyling this docket, and granting a request for extension. The requested area for this docket includes 67 customer connections and approximately 58 acres of transferred area from CCN No. 11663 to CCN No. 13290. Applicants filed supplemental information on February 25, March 28, April 5, 6, and 19, 2022.

On April 19, 2022, the ALJ filed Order No. 3, directing Staff to file a recommendation regarding the administrative completeness of the application and proposed notice and to propose a procedural schedule by May 6, 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 Patricia Garcia of the Infrastructure Division and from Kathryn Eiland and Fred Bednarski 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 Ms. Garcia’s memorandum using the 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 Ms. Garcia’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	June 6, 2022
Deadline for Staff to file a recommendation on sufficiency of notice	June 20, 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 Ms. Garcia, and that the proposed procedural schedule be adopted. Staff respectfully requests the entry of an order consistent with these recommendations.

Dated: May 6, 2022

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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Division Director

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/s/ Ian Groetsch
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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 May 6, 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: Patricia Garcia, Senior Engineering Specialist
Infrastructure Division

DATE: May 6, 2022

RE: Docket No. 53259 – *Application of CSWR-Texas Utility Operating Company, LLC and Cody and Anita Lewis dba Cassie Water Company for Sale, Transfer, or Merger of Facilities and Certificate Rights in Burnet County*

On February 22, 2022, CSWR-Texas Utility Operating Company, LLC (CSWR-Texas) and Cody and Anita Lewis dba Cassie Water Company (Cassie Water) (collectively, Applicants) filed an application for sale, transfer, or merger (STM) of facilities and certificate rights in Burnet County, 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, seeks approval to acquire facilities and to transfer all of the water service area from Cassie Water under water Certificate of Convenience and Necessity (CCN) No. 11663. The requested area includes 67 customer connections and approximately 58 acres of transferred area from Cassie Water (CCN No. 11663) to CSWR-Texas (CCN No. 13290).

The application proposes the subtraction of approximately 58 acres from CCN No. 11663 and the addition of approximately 58 acres to CCN No. 13290.

Based on the mapping review by Hank Journeay, Infrastructure Division, maps submitted with Item 17 on April 5, 2022 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:
 - *Buena Vista Water System (CCN No. 11656)*

- *Corix Utilities Texas Inc. (CCN No. 13227)*
 - *Lower Colorado River Authority*
 - *Peninsula Bluffs (CCN No. 13148)*
- b. The county judge of each county that is wholly or partially included in the requested area:
- *Burnet County Judge*
- c. Each groundwater conservation district that is wholly or partially included in the requested area:
- *Central Texas 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 CSWR-Texas and Cassie Water. CSWR-Texas and Cassie Water will have 20 days from the receipt of the RFI to respond.

Public Utility Commission of Texas

Memorandum

TO: Kevin Bartz, Attorney
Legal Division

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

DATE: May 6, 2022

RE: Docket No. 53259 - *Application of CSWR-Texas Utility Operating Company LLC and Cody and Anita Lewis dba Cassie Water Company, Deer Springs Water Company, and Water Works I and II for Sale, Transfer, or Merger of Facilities and Certificate Rights in Burnet and Llano Counties*

On February 22, 2022, CSWR-Texas Utility Operating Company, LLC and Cody and Anita Lewis dba Cassie Water Company, Deer Springs Water Company, and Water Works I and II filed an application for the sale and transfer of facilities and certificates rights in Burnet and Llano Counties 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
CSWR-TEXAS UTILITY OPERATING COMPANY, LLC, CERTIFICATE OF
CONVENIENCE AND NECESSITY (CCN) NO. 13290, NOTICE OF INTENT TO
PURCHASE WATER FACILITIES AND TO TRANSFER WATER SERVICE AREA UNDER
CCN NO. 11663 FROM CODY AND ANITA LEWIS DBA CASSIE WATER COMPANY IN
BURNET COUNTY, TEXAS

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

(Address)

(City State Zip)

CSWR-Texas Utility Operating Company, LLC 1650 Des Peres Rd, Suite 303
(Purchaser's Name) (Address)
St. Louis, MO 63131
(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. 11663, in Burnet County, TX from:

Cody and Anita Lewis dba Cassie Water Company
(Seller's Name)

P.O. Box 61311 San Angelo, TX 76906
(Address) (City), (State) (Zip Code)

The requested area overlaps the district boundaries of the Lower Colorado River Authority. If this district does not request a public hearing, the Commission shall determine that the district is consenting to CSWR-Texas Utility Operating Company, LLC's request to provide retail water/sewer utility service in the requested area.

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 67 customer connections, is located approximately 10.5 mile(s) west of downtown Burnet, Texas, and is generally bounded on the north by Lake Buchanan; on the east by Ranch to Market Road 690; on the south by Lake Buchanan; and on the west by Lake Buchanan.

The requested area includes approximately 58 acres of transferred area from Cassie Water (CCN No. 11663) to CSWR (CCN No. 13290).

The application proposes the subtraction of approximately 58 acres from CCN No. 11663 and the addition of approximately 58 acres to CCN No. 13290.

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. 53259

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: March 31, 2022