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DOCKET NO. 53331

APPLICATION OF CROSS TIMBERS	§	PUBLIC UTILITY COMMISSION
WATER SUPPLY CORPORATION AND	§	
STONEBRIDGE WATER SUPPLY	§	
CORPORATION FOR SALE,	§	OF TEXAS
TRANSFER, OR MERGER OF	§	
FACILITIES AND CERTIFICATE	§	
RIGHTS IN DENTON COUNTY	§	

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

On March 10, 2022, Cross Timbers Water Supply Corporation (Cross Timbers WSC) and the Stonebridge Water Supply Corporation (Stonebridge WSC) (collectively Applicants) filed an application for sale, transfer, or merger (STM) of facilities and certificate rights in Denton County, Texas, under Texas Water Code (TWC) § 13.301 and 16 Texas Administrative Code (TAC) § 24.239

On April 11, 2022, the administrative law judge filed Order No. 2, establishing a deadline of June 9, 2022 for the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a supplemental recommendation on administrative completeness, proposed notice, and proposed procedural schedule. Therefore, this pleading is timely filed.

I. ADMINISTRATIVE COMPLETENESS

Staff has reviewed the application and supplemental information and, as detailed in the attached memorandum from James Harville, Infrastructure 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 Mr. Harville. 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:

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 5, 2022
Deadline for Staff to file a recommendation on sufficiency of notice	July 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, and that the proposed procedural schedule be adopted. Staff respectfully requests the entry of an order consistent with these recommendations.

Dated: June 8, 2022

Respectfully submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Keith Rogas Division Director

Robert Dakota Parish Managing Attorney

/s/ Merritt Lander
Merritt Lander
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1701 N. Congress Avenue
P.O. Box 13326
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(512) 936-7290
(512) 936-7268 (facsimile)

Merritt.Lander@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 8, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Merritt Lander
Merritt Lander

Public Utility Commission of Texas

Memorandum

TO: Merritt Lander, Attorney

Legal Division

FROM: James Harville, Infrastructure Analyst

Infrastructure Division

DATE: June 9, 2022

RE: Docket No. 53331 – Application of Stonebridge Water Supply Corporation and

Cross Timbers Water Supply Corporation for Sale, Transfer, or Merger of

Facilities and Certificate Rights in Denton County

On March 10, 2022, Cross Timbers Water Supply Corporation (Cross Timbers WSC) and the Stonebridge Water Supply Corporation (Stonebridge WSC) (collectively Applicants) filed an application for sale, transfer, or merger (STM) of facilities and certificate rights in Denton County, Texas, under Texas Water Code (TWC) § 13.301 and 16 Texas Administrative Code (TAC) § 24.239.

Specifically, Cross Timbers WSC, water Certificate of Convenience and Necessity (CCN) No. 10197, seeks approval to acquire facilities and to transfer all of the water service area from Stonebridge WSC under water CCN No. 12415.

Based on the mapping review by Dave Babicki, Infrastructure Division, the maps submitted with Item 9 on April 27, 2022 are sufficient.

- The requested area includes 16 customer connections and approximately 127 acres, comprised of transferred area from Stonebridge WSC (CCN No. 12415) to Cross Timbers WSC (CCN No. 10197).
- The application proposes the subtraction of approximately 127 acres from CCN No. 12415 and the addition of approximately 127 acres to CCN No. 10197.
- 77 acres will be single certification and 50 acres will be dual certification with Argyle WSC (CCN No. 10199).
- The application indicates that the total acreage being requested is approximately 200 acres, however, the mapping review determined the requested area is approximately 127 acres.

Based on my technical and managerial review of the additional information filed on April 11, 2022, and April 27, 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:
 - Argyle Water Supply Corporation (WSC) (CCN No. 10199)
 - Copper Canyon
 - Denton County Development District 4
 - Denton County Fresh Water Supply District (FWSD) 6
 - Denton County FWSD 7
 - Double Oak
 - Town of Argyle
 - Town of Bartonville
 - Town of Flower Mound (CCN No. 10982)
 - Upper Trinity Regional Water District
 - b. The county judge of each county that is wholly or partially included in the requested area:
 - Denton County Judge
 - c. Each groundwater conservation district that is wholly or partially included in the requested area:
 - North Texas Groundwater Conservation District (GCD)
 - 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.

Notice to Current Customers, Neighboring Systems, and Cities

CROSS TIMBERS WATER SUPPLY CORPORATION, CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO. 10197, NOTICE OF INTENT TO PURCHASE WATER FACILITIES AND TO TRANSFER WATER SERVICE AREA UNDER CCN NO. 12415 FROM STONEBRIDGE WATER SUPPLY CORPORATION IN DENTON COUNTY. TEXAS

TROM STONEDIGE WITTE	COCITE	1 Cold Oldfilott II	TV DETVIOTV COOL	111, 112,1110
To:		Date	Notice Mailed:	, 20
(Name of Customer, Neighboring	System, or C	lity)		
(Address)				
(City State	Zip)			
Cross Timbers Water Supply Cor	poration	2032 E Hickory Hill	l Rd Argyle, TX	76226-3125
(Purchaser's Name)		(Address)	(City), (State)	(Zip Code)
has submitted an application wi purchase all of the water facilities 12415 in Denton County, TX from	and to t	•	`	,
Stone Bridge Water Supply Corp (Seller's Name)	oration	PO Box 246 (Address)	Argyle, TX (City), (State)	76226-0246 (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>16</u> customer connections, is located approximately <u>2</u> mile(s) <u>north</u> of downtown <u>Bartonville</u>, Texas, and is generally bounded on the north by <u>Farm to Market 407 East</u>; on the east by <u>Leesley Lane</u>; on the south by <u>Noble Champions Way</u>; and on the west by <u>Steeplechase Circle</u>.

The requested area includes approximately <u>127</u> acres, comprised of transferred area from Stonebridge WSC (CCN No. 12415) to Cross Timbers WSC (CCN No. 10197).

The application proposes the subtraction of approximately <u>127</u> acres from CCN No. 12415 and the addition of approximately <u>127</u> acres to CCN No. 10197.

 $\overline{77}$ acres will be single certification and $\overline{50}$ acres will be dual certification with Argyle WSC (CCN No. 10199).

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 Cross Timbers, which are 13% higher on average than the current rate for a 5/8" meter for Stonebridge. To view a copy of the current approved tariff, email chad@crosstimberswater.com or call 940-584-0780 to request a copy.

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

Notice Form Updated: March 31, 2022

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 e	español, puede lla	mar al 1-888-782-847	7.
Utility Representative			
Utility Name			

PUBLIC UTILITY COMMISSION OF TEXAS



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, NEIGHBORING UTILITIES, AND AFFECTED PARTIES DOCKET NO. 53331

STATE OF TEXAS		
COUNTY OF		
		has provided individual
notice to the following entities and custom	ers:	1
		DATE OF NOTICE
	OATH	
	011111	
I,		sworn, file this form as tionship to applicant, that is,
owner, member of partnership, title of office		
applicant); that in such capacity, I am qua	*	•
personally familiar with the notices given		•
requirements in the application and application		that all such statements made
and matters set for therein are true and cor	rect.	
Applicant's Authorized Representative		
If the applicant to this form is any person ot	her than the sole owner, pa	rtner, officer of the applicant,
or its attorney, a properly verified Power of	f Attorney must be enclos	ed.
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		
O		
Commission Expires	_	