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DOCKET NO. 53456

APPLICATION OF CSWR-TEXAS	§	PUBLIC UTILITY COMMISSION
UTILITY OPERATING COMPANY,	§	
LLC AND LAKE LIMESTONE COVES	§	OF TEXAS
WATER SYSTEM, INC. FOR SALE,	§	
TRANSFER, OR MERGER OF	§	
FACILITIES AND CERTIFICATE	§	
RIGHTS IN LIMESTONE AND	§	
ROBERTSON COUNTIES	§	

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

On April 6, 2022, CSWR-Texas Utility Operating Company, LLC (CSWR-Texas) and Lake Limestone Coves Water System, Inc. (Lake Limestone) (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate of convenience and necessity (CCN) rights in Limestone and Robertson counties. CSWR-Texas, water CCN No. 13290, seeks approval to acquire facilities and to transfer all of the water service area from Lake Limestone under water CCN No. 11909.

On April 18, 2022, the administrative law judge (ALJ) filed Order No. 1, directing the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a recommendation regarding the administrative completeness of the application and propose a procedural schedule by May 6, 2022. Therefore, this pleading is timely filed.

I. ADMINISTRATIVE COMPLETENESS

Staff has reviewed the supplemented application and, as detailed in the attached memorandums from Patricia Garcia of the Commission's Infrastructure Division and Ethan Blanchard of the Rate Regulation Division, recommends that the application be found 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 Applicants proceed with providing public notice to all current customers, neighboring utilities, political subdivisions, and other persons listed in Ms. Garcia's attached memorandum using the provided 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 Applicants file proof of notice as described in Ms. Garcia's 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 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 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 20, 2022
Deadline for Staff to file a recommendation on sufficiency of notice	June 30, 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 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: May 6, 2022

Respectfully submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Keith Rogas Division Director

Robert Dakota Parish Managing Attorney

/s/ Mildred Anaele
Mildred Anaele
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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/Mildred Anaele Mildred Anaele

Public Utility Commission of Texas

Memorandum

TO: Mildred Anaele, Attorney

Legal Division

FROM: Patricia Garcia, Senior Engineering Specialist

Infrastructure Division

DATE: May 6, 2022

RE: Docket No. 53456 – Application of CSWR-Texas Utility Operating Company,

LLC and Lake Limestone Coves Water System, Inc. for Sale, Transfer, or Merger of Facilities and Certificate Rights in Limestone and Robertson

Counties

On April 6, 2022, CSWR-Texas Utility Operating Company, LLC (CSWR-Texas) and Lake Limestone Coves Water System, Inc. (Lake Limestone) (collectively, Applicants) filed an application for sale, transfer, or merger (STM) of facilities and certificate rights in Limestone and Robertson 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, seeks approval to acquire facilities and to transfer all of the water service area from Lake Limestone under water CCN No. 11909.

Based on the mapping review by Dave Babicki, Infrastructure Division, the maps submitted with Item 1 on April 6, 2022 are sufficient.

- The requested area includes 424 customer connections and approximately 576 acres, comprised of transferred area from Lake Limestone Coves Water System, Inc. (CCN No. 11909) to CSWR-Texas (CCN No. 13290).
- The application proposes the subtraction of approximately 576 acres from CCN No. 11909 and the addition of approximately 576 acres to CCN No. 13290.
- The application indicates that the total acreage being requested is approximately 579 acres, however, the mapping review determined the requested area is approximately 576 acres.

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:
 - Brazos River Authority
 - Concord-Robbins Water Supply Corporation (WSC) (CCN No. 11717)
 - Robertson County WSC (CCN No. 10960)
 - SLC WSC (CCN No. 12213)
 - b. The county judge of each county that is wholly or partially included in the requested area:
 - Limestone County Judge
 - Robertson County Judge
 - c. Each groundwater conservation district that is wholly or partially included in the requested area:
 - Brazos Valley 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.

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 Lake Limestone. CSWR-Texas and Lake Limestone will have 20 days from the receipt of the RFI to respond.

Public Utility Commission of Texas

Memorandum

TO: Mildred Anaele

Legal Division

FROM: Kathryn Eiland, Analyst

Ethan Blanchard, Analyst Rate Regulation Division

DATE: May 6, 2022

RE: Docket No. 53456 – Application of CSWR-Texas Utility Operating Company LLC

and Lake Limestone Coves Water System, Inc. for Sale, Transfer, or Merger of

Facilities and Certificate Rights in Limestone and Robertson Counties

On April 6, 2022, CSWR-Texas Utility Operating Company and Lake Limestone Coves Water System, Inc. filed an application for the sale and transfer of facilities and certificate rights in Limestone and Robertson counties under the provisions of Texas Water Code § 13.301 and 16 Texas Administrative Code § 24.239.

I reviewed the answers provided to questions 4, 10, 11, 12, and 14 of the application. I did not identify any deficiencies in those answers for purposes of determining whether the application is administratively complete. Therefore, I 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. 11909 FROM LAKE LIMESTONE COVES WATER SYSTEM, INC. IN LIMESTONE AND ROBERTSON COUNTIES, TEXAS

To:		Date Notice Mailed: , 20
(Name of Customer,	Neighboring System, or City)	
(Address)		
(City	State Zip)	
CSWR-Texas Utility O	perating 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. 11909 in Limestone and Robertson counties, TX from:

Lake Limestone Coves Water System, Inc.	P.O. Box 192	Marquez, TX	77865
(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 subdivisions: Lake Limestone Coves, Limestone Coves, Summer Place.

The requested area includes <u>424</u> customer connections, is located approximately <u>14</u> mile(s) <u>southeast</u> of downtown <u>Thornton</u>, Texas, and is generally bounded on the north by <u>Lake Limestone</u>; on the east by <u>Lake Limestone</u>; on the south by <u>Lake Limestone</u>; and on the west by <u>the intersection of County Road 740</u> and <u>County Road 742</u>.

The requested area includes approximately <u>576</u> acres, comprised of transferred area from Lake Limestone Coves Water System (CCN No. 11909) to CSWR-Texas Utility Operating Company, LLC (CCN No. 13290).

The application proposes the subtraction of approximately <u>576</u> acres from CCN No. 11909 and the addition of approximately <u>576</u> 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 Notice Form Updated: March 31, 2022

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 e	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. 53456

STATE OF TEXAS		
COUNTY OF		
		has provided individual
notice to the following entities and custome	ers:	
		DATE OF NOTICE
	_ _	
	<u> </u>	
	OATH	
I,		
average manch on afragetrausking title of affice		ationship to applicant, that is,
owner, member of partnership, title of office applicant); that in such capacity, I am qual	•	-
personally familiar with the notices given v		•
requirements in the application and applicati		
and matters set for therein are true and corr	rect.	
Applicant's Authorized Representative		
If the applicant to this form is any person oth	ner than the sole owner, p	eartner, officer of the applicant,
or its attorney, a properly verified Power of	f Attorney must be enclo	sed.
Subscribed and sworn to before me this	day of	, 20,
to certify which witness my hand and seal of	of office.	
Notary Public in and for the State of Texas		
Print or Type Name of Notary Public		
Commission Expires		
Notice Form Undated: March 31, 2022		