



## Filing Receipt

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**DOCKET NO. 53630**

<b>APPLICATION OF ORBIT SYSTEMS, INC. AND UNDINE TEXAS, LLC FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN BRAZORIA COUNTY</b>	<b>§ § § § §</b>	<b>PUBLIC UTILITY COMMISSION  OF TEXAS</b>
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**COMMISSION STAFF’S SUPPLEMENTAL RECOMMENDATION ON  
ADMINISTRATIVE COMPLETENESS AND NOTICE, PROPOSED PROCEDURAL  
SCHEDULE, AND REQUEST TO RESTYLE DOCKET**

On May 23, 2022, Undine Texas Environmental, LLC (Undine) and Orbit Systems, Inc. (Orbit) (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Brazoria County. Specifically, Undine, sewer Certificate of Convenience and Necessity (CCN) No. 20682, seeks approval to acquire utility assets from Orbit under sewer CCN No. 20682.

On June 27, 2022, the administrative law judge (ALJ) filed Order No. 2, directing the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a supplemental recommendation regarding the administrative completeness of the application and proposed notice and to propose a procedural schedule for the further processing of this docket by July 20, 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 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 the attached memorandum using the notice form provided by Ms. Garcia. 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. PROPOSED 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	August 19, 2022
Deadline for Staff to file a recommendation on sufficiency of notice	August 29, 2022
Deadline to intervene	30 days after notice is issued

**IV. REQUEST TO RESTYLE DOCKET**

The case style identifies Undine Texas, LLC as the applicant; however, the application was filed by a different entity: Undine Texas Environmental, LLC. Accordingly, Staff respectfully requests that the docket be restyled as follows: “APPLICATION OF ORBIT SYSTEMS, INC. AND UNDINE TEXAS ENVIRONMENTAL, LLC FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN BRAZORIA COUNTY.”

**V. 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, that the proposed procedural schedule be adopted, and that the docket be restyled as requested. Staff respectfully requests the entry of an order consistent with these recommendations.

Dated: July 20, 2022

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

Keith Rogas  
Division Director

Robert Dakota Parish  
Managing Attorney

/s/ Ian Groetsch  
Ian Groetsch  
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(512) 936-7268 (facsimile)  
Ian.Groetsch@puc.texas.gov

**DOCKET NO. 53630**

**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 July 20, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Ian Groetsch  
Ian Groetsch

# *Public Utility Commission of Texas*

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## **Memorandum**

**TO:** Forrest Smith, Attorney  
Legal Division

**FROM:** Patricia Garcia, Section Director, Infrastructure Analysis  
Infrastructure Division

**DATE:** July 20, 2022

**RE:** Docket No. 53630 – *Application of Orbit Systems, Inc. and Undine Texas, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Brazoria County*

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On May 20, 2022, Undine Texas Environmental, LLC (Undine) and Orbit Systems, Inc. (Orbit) (collectively Applicants) filed an application for sale, transfer, or merger (STM) of facilities and certificate rights in Brazoria County, Texas, under Texas Water Code (TWC) §§ 13.242 through 13.250 and § 13.301 and 16 Texas Administrative Code (TAC) §§ 24.225 to 24.237 and § 24.239.

Specifically, Undine, sewer Certificate of Convenience and Necessity (CCN) No. 20816, seeks approval to amend uncertificated area to CCN No. 20816, to acquire facilities, and to transfer all of the sewer service area from Orbit under sewer CCN No. 20682.

Based on the mapping review by Dave Babicki, Infrastructure Division, the maps submitted with Item 10 on June 8, 2022 are sufficient.

- The requested area includes 195 customer connections and approximately 152 acres, comprised of:
  - 6 acres of uncertificated area;
  - 146 acres of transferred area from Orbit Systems, Inc. (CCN No. 20682) to Undine Texas Environmental, LLC (CCN No. 20816).
- The application proposes the subtraction of approximately 146 acres from CCN No. 20682 and the addition of approximately 152 acres to CCN No. 20816.

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 No. 21065)*
    - *Brazoria County Drainage District 5*
    - *City of Alvin*
    - *Port Freeport*
    - *Village of Bonney*
    - *West Brazoria County Drainage District 11*
  - b. The county judge of each county that is wholly or partially included in the requested area:
    - *Brazoria County Judge*
  - c. Each groundwater conservation district that is wholly or partially included in the requested area:
    - *Brazoria County Groundwater Conservation District (GCD)*
  - d. Each owner of a tract of land that is at least 25 acres and is wholly or partly located in the requested area. Notice must be mailed to the owner of the tract of land according to the most current tax appraisal rolls of the applicable central appraisal district at the time the application was filed.
  - e. 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) Publish notice once each week for two consecutive weeks in a newspaper having general circulation in the county where the requested area is located. Proof in the form of a publisher's affidavit must be filed within 30 days of the publication date. The affidavit must state with specificity each county in which the newspaper is of general circulation. Within 30 days of the date the notice was mailed, Undine must file an affidavit specifying the notice that was provided to every person and entity to whom notice was provided and the date the notice was mailed.
- 3) Provide notice using the attached notice form(s).
- 4) 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, landowners and customers.
- 5) 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, and the publisher's affidavit and tear sheets for proof of newspaper publication.

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 Undine and Orbit. Undine and Orbit will have 20 days from the receipt of the RFI to respond.

# *Public Utility Commission of Texas*

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## **Memorandum**

**TO:** Forrest Smith  
Legal Division

**FROM:** Ethan Blanchard  
Kathryn Eiland  
Rate Regulation Division

**DATE:** July 20, 2022

**RE:** Docket No. 53630 – *Application of Orbit Systems, Inc. and Undine Texas, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Brazoria County*

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On May 23, 2022, Undine Texas Environmental, LLC (Undine), CCN No. 20816, and Orbit Systems, Inc., CCN No. 20682, filed an application for the sale and transfer of facilities and certificate rights in Brazoria 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, Landowners, Neighboring Systems, and Cities***  
UNDINE TEXAS ENVIRONMENTAL, LLC, CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO. 20816, NOTICE OF INTENT TO AMEND UNCERTIFICATED AREA TO CCN NO. 20816, PURCHASE SEWER FACILITIES, AND TO TRANSFER SEWER SERVICE AREA UNDER CCN NO. 20682 FROM ORBIT SYSTEMS, INC. IN BRAZORIA COUNTY, TEXAS

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

Undine Texas Environmental, LLC 17681 Telge Road Cypress, TX 77429  
(Purchaser's Name) (Address) (City), (State) (Zip Code)

has submitted an application with the Public Utility Commission of Texas (Commission) to amend uncertificated area to CCN No. 20816, to purchase all of the sewer facilities, and to transfer sewer certificated service area under CCN No. 20682 in Brazoria County, TX from:

Orbit Systems, Inc. 1302 Airline N. Rosharon, TX 77583  
(Seller's Name) (Address) (City), (State) (Zip Code)

The requested area overlaps the district boundaries of:

- Brazoria County Drainage District 5
- Port Freeport
- West Brazoria County Drainage District 11

If these districts do not request a public hearing, the Commission shall determine that the district is consenting to Undine Texas Environmental, LLC's request to provide retail 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 195 customer connections, is located approximately 2 mile(s) north of downtown Bonney, Texas, and is generally bounded on the north by Farm to Market 1462; on the east by County Road 7977; on the south by County Road 841; and on the west by Farm to Market 521.

The requested area includes approximately 152 acres, comprised of:

6 acres of uncertificated area;

146 acres of transferred area from Orbit Systems, Inc. (CCN No. 20682) to Undine Texas Environmental, LLC (CCN No. 20816).

The application proposes the subtraction of approximately 146 acres from CCN No. 20682 and the addition of approximately 152 acres to CCN No. 20816.

**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 Undine Texas Environmental, LLC, which are higher than the current rate for a 5/8" meter for Orbit Systems, Inc. To view a copy of the current approved tariff, go to: <https://www.undinellc.com/wp-content/uploads/Undine-Texas-LLC-Water-Tariff.pdf> or email [info@undinellc.com](mailto:info@undinellc.com) or call 713-574-5953 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 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.

A landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the uncertificated requested area, may file a written request with the Commission to be excluded from the requested area ("opt out") within (30) days from the date that notice was provided by the Utility. All opt out requests must include a large-scale map, a metes and bounds description of the landowner's tract of land, landowner's name, address, email address and fax number, if applicable.

Persons who wish to request this option should file the required documents with the:

Public Utility Commission of Texas  
Central Records  
1701 N. Congress, P. O. Box 13326  
Austin, TX 78711-3326

In addition, the landowner must also send a copy of the opt out request to the Utility. Staff may request additional information regarding your request.

Si desea información en español, puede llamar al 1-888-782-8477.

\_\_\_\_\_  
Utility Representative

\_\_\_\_\_  
Utility Name



current rate for a 5/8” meter for Orbit Systems, Inc. To view a copy of the current approved tariff, go to: <https://www.undinellc.com/wp-content/uploads/Undine-Texas-LLC-Water-Tariff.pdf> or email [info@undinellc.com](mailto:info@undinellc.com) or call 713-574-5953 to request a copy.

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Si desea información en español, puede llamar al 1-888-782-8477.

# PUBLIC UTILITY COMMISSION OF TEXAS



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, LANDOWNERS, NEIGHBORING UTILITIES, AND AFFECTED PARTIES  
DOCKET NO. 52630

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 \_\_\_\_\_

# PUBLIC UTILITY COMMISSION OF TEXAS



## PUBLISHER'S AFFIDAVIT DOCKET NO. 52630

STATE OF TEXAS  
COUNTY OF \_\_\_\_\_

Before me, the undersigned authority, on this day personally appeared \_\_\_\_\_,  
who being by me duly sworn, deposes and that (s)he is the

\_\_\_\_\_ of the \_\_\_\_\_  
(TITLE) (NAME OF NEWSPAPER)

that said newspaper is regularly published in \_\_\_\_\_  
(COUNTY/COUNTIES)

and generally circulated in \_\_\_\_\_, Texas;  
(COUNTY/COUNTIES)

and that the attached notice was published in said newspaper on the following dates, to wit:

\_\_\_\_\_  
(DATES)

\_\_\_\_\_  
(SIGNATURE OF NEWSPAPER REPRESENTATIVE)

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 \_\_\_\_\_