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DOCKET NO. 54018

APPLICATION OF CSWR-TEXAS	§	PUBLIC UTILITY COMMISSION
UTILITY OPERATING COMPANY,	§	
LLC AND LINCECUMS WATER WELL	§	
SERVICE FOR SALE, TRANSFER, OR	§	OF TEXAS
MERGER OF FACILITIES AND	§	
CERTIFICATE RIGHTS IN BRAZORIA	§	
COUNTY	§	

COMMISSION STAFF’S RECOMMENDATION ON CSWR-TEXAS’S CAPITAL IMPROVEMENT PLAN

On August 31, 2022, CSWR-Texas Utility Operating Company, LLC (CSWR-Texas) and Lincecums Water Well Service (Lincecums) filed an application for approval of the sale, transfer, or merger of facilities and certificate of convenience and necessity (CCN) rights in Brazoria County under the provisions of Texas Water Code (TWC) § 13.301 and 16 Texas Administrative Code (TAC) § 24.239. Specifically, CSWR-Texas, water CCN No. 13290, seeks approval to acquire facilities and to transfer all of the water service area from Lincecums under Water CCN No. 13222.

On November 7, 2023, the administrative law judge (ALJ) filed Order No. 15, directing the Staff (Staff) of the Public Utility Commission of Texas to file a recommendation on CSWR-Texas' s capital improvements plan by November 20, 2023. Therefore, this pleading is timely filed.

I. CSWR-TEXAS’S CAPITAL IMPROVEMENT PLAN

Staff has reviewed the updated capital improvement plan information provided by CSWR-Texas on November 9, 2023 and, as detailed in the attached memorandum from Jolie Mathis of the Infrastructure Division, recommends that CSWR-Texas’s capital improvement plan is sufficient and complies with TWC § 13.244(d)(3) and 16 TAC § 24.233(a)(6). Specifically, CSWR-Texas provided a budget, an estimated timeline for construction, and a keyed map showing where additional facilities will be located. Therefore, Staff recommends that CSWR-Texas’s capital improvement plan is sufficient.

II. CONCLUSION

For the reasons detailed above, Staff recommends that CSWR-Texas’s capital improvement plan is sufficient and complies with TWC § 13.244(d)(3) and 16 TAC § 24.233(a)(6).

Dated: November 20, 2023

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Marisa Lopez Wagley
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/s/ Margaux Fox
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CERTIFICATE OF SERVICE

I certify that unless otherwise ordered by the presiding officer, notice of the filing of this document will be provided to all parties of record via electronic mail on November 20, 2023 in accordance with the Second Order Suspending Rules, filed in Project No. 50664.

/s/ Margaux Fox
Margaux Fox

Public Utility Commission of Texas

Memorandum

TO: Margaux Fox, Attorney
Legal Division

FROM: Jolie Mathis, Utility Engineering Specialist
Infrastructure Division

DATE: November 20, 2023

RE: Docket No. 54018 – *Application of CSWR-Texas Utility Operating Company, LLC and Lincecums Water Well Service for Sale, Transfer, or Merger of Facilities and Certificate Rights in Brazoria County*

1. Application

On August 31, 2022, CSWR-Texas Utility Operating Company, LLC (CSWR-Texas) and Lincecums Water Well Service (Lincecums) (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.

Based on the mapping review by Dave Babicki, Infrastructure Division:

- The requested area includes 28 customer connections and approximately 44.6 acres, comprised of:
 - 1.5 acres of uncertificated area;
 - 43.1 acres of transferred area from Lincecums Water Well Service (CCN No. 13222) to CSWR-Texas (CCN No. 13290).
- The application proposes the subtraction of approximately 43.1 acres from CCN No. 13222 and the addition of approximately 44.6 acres to CCN No. 13290
- The application indicates that the total acreage being requested is approximately 44 acres, however, the mapping review determined the requested area is approximately 44.6 acres.

2. Capital Improvement Plan

An application for a certificate of public convenience and necessity or for an amendment to a certificate must contain: a capital improvements plan, including a budget and estimated timeline for construction of all facilities necessary to provide full service to the entire proposed service area (TWC § 13.244(d)(3)).

CSWR-Texas has provided a line-item budget for anticipated repairs and improvements on the water system it is purchasing. CSWR-Texas provided a budget, an estimated timeline for construction, and a keyed map showing where facilities will be located.

3. Recommendation

Based on the above information, I recommend that the Commission find that the transaction will serve the public interest and that the Applicants be allowed to proceed with the proposed transaction. There are no deposits held by Lincecum for the customers being served by Powers Subdivision. I further recommend that a public hearing is not necessary.