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DOCKET NO. 55336

APPLICATION OF SP UTILITY	§	PUBLIC UTILITY COMMISSION
COMPANY, INC. AND ALBURY	§	
MANOR UTILITY COMPANY, INC.	§	OF TEXAS
FOR SALE, TRANSFER, OR MERGER	§	
OF FACILITIES AND CERTIFICATE	§	
RIGHTS IN HARRIS COUNTY	§	

COMMISSION STAFF’S SECOND SUPPLEMENTAL RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS, NOTICE AND PROPOSED PROCEDURAL SCHEDULE

I. INTRODUCTION

On August 8, 2023, SP Utility Company, Inc and Albury Manor Utility Company, Inc. (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Harris County, Texas.

On December 8, 2023, the administrative law judge (ALJ) filed Order No. 4, directing the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a supplemental recommendation on the administrative completeness of the application and proposed notice, and to file recommendation regarding how to proceed with the application and propose a procedural schedule by January 22, 2024. Therefore, this pleading is timely filed.

II. ADMINISTRATIVE COMPLETENESS

Staff has reviewed the application and supplemental information and, as detailed in the attached memoranda from Jaspinder Singh, Infrastructure Division, and Fred Bednarski, III, 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.

III. NOTICE

At this time, Staff recommends that the Applicants proceed with providing public notice to all affected parties listed in Mr. Singh’s memorandum using the attached notice forms and including, with each individual notice, a copy of the maps deemed sufficient during administrative review delineating the requested service area. Once notice has been provided, Staff recommends that the Applicants file proof of notice using the attached affidavits and including the additional documentation, as detailed in Mr. Singh’s memorandum.

IV. 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 notices and maps sent to the affected parties	February 22, 2024
Deadline for Staff to file a recommendation on sufficiency of notice	March 7, 2024
Deadline to intervene	30 days after notice is issued

V. CONCLUSION

For the reasons detailed above, Staff recommends that the supplemented application be found administratively complete, that the Applicants be directed to provide notice as described in Mr. Singh's memorandum, and that the proposed procedural schedule be adopted. Staff respectfully requests the entry of an order consistent with these recommendations.

Date: January 22, 2024

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Marisa Lopez Wagley
Division Director

Ian Groetsch
Managing Attorney

/s/ Scott Miles
Scott Miles
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DOCKET NO.

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 January 22, 2024 in accordance with the Second Order Suspending Rules, filed in Project No. 50664.

/s/ Scott Miles
Scott Miles

Public Utility Commission of Texas

Memorandum

TO: Scott Miles, Attorney
Legal Division

FROM: Jaspinder Singh, Engineering Specialist
Infrastructure Division

DATE: January 22, 2024

RE: Docket No. 55336– *Application of SP Utility Company, Inc. and Albury Manor Utility Company, Inc. for Sale, Transfer, or Merger of Facilities and Certificate Rights in Harris County*

On August 8, 2023, SP Utility Company, Inc. (SP Utility) and Albury Manor Utility Company, Inc. (Albury Manor Utility) (collectively, Applicants) filed an application for the sale, transfer, or merger (STM) of facilities and certificate rights in Harris 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, SP Utility, Certificate of Convenience and Necessity (CCN) No. 12978, seeks approval to acquire facilities and to transfer all of the water service area from Albury Manor Utility under water CCN No. 11507.

Based on the mapping review by Hank Journeay, Infrastructure Division, the revised maps submitted with Item 5 on September 11, 2023 are sufficient.

- The requested area includes 49 customer connections and approximately 102 acres of transferred area from Albury Manor Utility (CCN No. 11507) to SP Utility (CCN No. 12978).
- The application proposes the subtraction of approximately 102 acres from CCN No. 11507 and the addition of approximately 102 acres to CCN No. 12978.

Based on the mapping review and my technical and managerial review of the additional information filed on September 11, 2023, and December 14, 2023, 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. 13203)*
 - *City of Houston*
 - *City of Tomball (CCN No. 13257)*
 - *Coastal Water Authority*
 - *Dowdell Public Utility District (PUD)*
 - *Gulf Coast Authority*
 - *Harris County Flood Control District (FCD)*
 - *Harris County Municipal Utility District (MUD) 273*
 - *Harris County MUD 280*
 - *Harris County MUD 367*
 - *Harris County MUD 368*
 - *Harris County MUD 383*
 - *Harris County MUD 401*
 - *Harris County MUD 480*
 - *Harris County MUD 530*
 - *Harris County Water Control & Improvement District (WCID) 119*
 - *H-M-W Special Utility District (SUD) (CCN No. 10342)*
 - *Inline Development Corporation (CCN No. 12946), Pending Docket 54729*
 - *Midway Water Utilities Inc. (CCN No. 12087), Pending Docket 55157*
 - *Nextera Water Texas LLC (CCN No. 13302)*
 - *North Harris County Regional Water Authority*
 - *Northpointe WCID*
 - *Northwest Harris County MUD 15*
 - *Pinewood Community LP (CCN No. 13158)*
 - *Port of Houston Authority*
 - b. The county judge of each county that is wholly or partially included in the requested area:
 - *Harris County Judge*
 - c. Each groundwater conservation district that is wholly or partially included in the requested area:
 - *Harris -Galveston Subsidence District*
 - 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) Provide notice using the attached notice forms.
- 3) Provide a copy of the maps deemed sufficient during administrative review delineating the requested area with each individual notice to neighboring utilities, other affected parties, landowners, and customers.
- 5) Within 30 days of the date the notice was mailed, SP Utility must file the following as proof of notice in the docket:
 - a. A copy of the notices (1 example of each type of notice).
 - b. The general location and detailed maps deemed sufficient during administrative review.
 - c. The signed affidavits for the mailed notices.
 - d. A list specifying every person and entity to whom notice was provided.
 - e. If there are multiple landowners, provide a list of the applicable county appraisal district parcels located within the requested area. The list should include the following for a landowner of a tract of land that is at least 25 acres or more and is wholly or partially within the requested area;
 - i. Each property ID;
 - ii. Landowner Name;
 - iii. Address; and
 - iv. The acreage owned by each listed landowner.

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 SP Utility and Albury Manor Utility. SP Utility and Albury Manor Utility will have 20 days from the receipt of the RFI to respond.

Public Utility Commission of Texas

Memorandum

TO: Scott Miles, Attorney
Legal Division

FROM: David Lopez, Rate Analyst
Fred Bednarski III, Financial Analyst
Rate Regulation Division

DATE: January 22, 2024

RE: Docket No. 55336 – *Application of SP Utility Company, Inc. and Albury Manor Utility Company, Inc. for Sale, Transfer, or Merger of Facilities and Certificate Rights in Harris County*

On August 8, 2023, SP Utility Company, Inc. (SP Utility) and Albury Manor Utility Company, Inc. (Albury) filed an application for the sale and transfer of facilities and certificate rights in Harris 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, Neighboring Systems, and Cities

SP UTILITY COMPANY, INC. (SP UTILITY), CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO. 12978, NOTICE OF INTENT TO PURCHASE WATER FACILITIES AND TO TRANSFER WATER SERVICE AREA UNDER CCN NO. 11507 FROM ALBURY MANOR UTILITY COMPANY, INC. (ALBURY MANOR UTILITY) IN HARRIS COUNTY, TEXAS

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

(Address)

(City State Zip)

SP Utility PO Box 690521 Houston, TX 77269-521
(Purchaser's Name) (Address) (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. 11507, in Harris County, TX from:

Albury Manor Utility 400 Randal Way, Ste 106 Spring, TX 77388
(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 subdivision:

Albury Manor

The requested area includes 49 customer connections, is located approximately 2.5 mile(s) southeast of downtown Tomball, Texas, and is generally bounded on the north by Spell Road; on the east by Mystic Stone Drive; on the south by Boudreaux Road; and on the west by Huffsmith Kohrville Road.

The requested area includes approximately 102 acres of transferred area from Albury Manor Utility (CCN No. 11507) to SP Utility (CCN No. 12978).

The application proposes the subtraction of approximately 102 acres from CCN No. 11507 and the addition of approximately 102 acres to CCN No. 12978.

See enclosed maps 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.

A landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the 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.

A landowner that opts out from the requested area releases the applicant's obligation to provide retail water or sewer utility service to the removed land for any reason.

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. 55336

STATE OF TEXAS
COUNTY OF _____

_____ has provided individual
notice via first-class mail to the following entities, affected parties, 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 to Landowners

SP UTILITY COMPANY, INC. (SP UTILITY), CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO. 12978, NOTICE OF INTENT TO PURCHASE WATER FACILITIES AND TO TRANSFER WATER SERVICE AREA UNDER CCN NO. 11507 FROM ALBURY MANOR UTILITY COMPANY, INC. (ALBURY MANOR UTILITY) IN HARRIS COUNTY, TEXAS

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

(Address)

(City State Zip)

SP Utility PO Box 690521 Houston, TX 77269-521
(Purchaser's Name) (Address) (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. 11507, in Harris County, TX from:

Albury Manor Utility 400 Randal Way, Ste 106 Spring, TX 77388
(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 subdivision:
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The requested area includes 49 customer connections, is located approximately 2.5 mile(s) southeast of downtown Tomball, Texas, and is generally bounded on the north by Spell Road; on the east by Mystic Stone Drive; on the south by Boudreaux Road; and on the west by Huffsmith Kohrville Road.

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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 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.

A landowner that opts out from the requested area releases the applicant's obligation to provide retail water or sewer utility service to the removed land for any reason.

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 LANDOWNERS DOCKET NO. 55336

STATE OF TEXAS
COUNTY OF _____

- _____ has
- Determined that there are no landowners owning tracts of land over 25 acres wholly or partly inside the requested CCN area.
 - Provided individual notice via first-class mail to the following landowners owning tracts of land over 25 acres wholly or partly inside the requested CCN area:

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 forth 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: August 2, 2023