



Filing Receipt

Filing Date - 2023-09-28 11:05:23 AM

Control Number - 55414

Item Number - 10

DOCKET NO. 55414

APPLICATION OF CSWR-TEXAS § PUBLIC UTILITY COMMISSION
UTILITY OPERATING COMPANY, §
LLC AND VINEYARD RIDGE WATER §
SUPPLY, LLC FOR SALE, TRANSFER, § OF TEXAS
OR MERGER OF FACILITIES AND §
CERTIFICATE RIGHTS IN GILLESPIE §
COUNTY §

**COMMISSION STAFF’S COMMENTS ON ADMINISTRATIVE COMPLETENESS OF
THE APPLICATION, PROPOSED NOTICE, AND JOINT PROPOSED PROCEDURAL
SCHEDULE**

I. INTRODUCTION

On August 29, 2023, CSWR-Texas Utility Operating Company LLC and Vineyard Ridge Water Supply, LLC (collectively, the Applicants) applied for approval of a sale, transfer, or merger of facilities and certificate rights in Gillespie County.

On August 30, 2023, the administrative law judge filed Order No. 1, directing the Staff (Staff) of the Public Utility Commission of Texas to file comments on the administrative completeness of the application and proposed notice, and to propose a procedural schedule by September 28, 2023. Therefore, this pleading is filed timely.

II. RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS

Staff has reviewed the application and, as detailed in the attached memoranda from Patricia Garcia, Infrastructure Division, and David Lopez and Fred Bednarski III, Rate Regulation Division, recommends the application be deemed administratively complete and sufficient for further review from a technical, managerial, and financial perspective. This recommendation does not address the merits of the application.

III. RECOMMENDATION ON 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 by Ms. Garcia using the notice form provided. 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 by Ms. Garcia, 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 the Applicants use the attached notice and affidavit to meet these requirements.

IV. JOINT PROPOSED PROCEDURAL SCHEDULE

The Applicants have agreed for Staff to file the proposed procedural schedule on their behalf. Accordingly, parties propose the following procedural schedule:

Event	Date
Deadline for applicants to file with the Commission signed affidavits that the notice was given along with copies of the notices sent to affected parties	October 30, 2023
Deadline for Commission Staff to file a recommendation on the sufficiency of the notice	November 13, 2023
Deadline to intervene	30 days after notice is issued

V. CONCLUSION

For the reasons stated above, Staff respectfully requests that the application be found administratively complete, that the Applicants be directed to provide notice as described in the attached memorandum, and that the joint proposed procedural schedule be adopted.

Dated: September 28, 2023

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Marisa Lopez Wagley
Division Director

Andy Aus
Managing Attorney

/s/ Olivia Lu
Olivia Lu
State Bar No. 24127729
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7044
(512) 936-7268 (facsimile)
olivia.lu@puc.texas.gov

DOCKET NO. 55414

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 September 28, 2023 in accordance with the Second Order Suspending Rules, filed in Project No. 50664.

/s/ Olivia Lu
Olivia Lu

Public Utility Commission of Texas

Memorandum

TO: Olivia Lu, Attorney
Legal Division

FROM: Patricia Garcia, Infrastructure Analysis Section Director
Infrastructure Division

DATE: September 28, 2023

RE: Docket No. 55414 – *Application of CSWR-Texas Utility Operating Company, LLC and Vineyard Ridge Water Supply, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Gillespie County*

On August 29, 2023, CSWR-Texas Utility Operating Company, LLC (CSWR-Texas) and the Vineyard Ridge Water Supply, LLC (Vineyard Ridge) (collectively Applicants) filed an application for sale, transfer, or merger (STM) of facilities and certificate rights in Gillespie 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, CSWR-Texas, Certificate of Convenience and Necessity (CCN) No. 13290, seeks approval to acquire facilities and to transfer all of the water service area from Vineyard Ridge under water CCN No. 13265.

Based on the mapping review by Hank Journey, Infrastructure Division, the revised maps submitted with Item 9 on September 13, 2023 are sufficient.

- The requested area includes 76 customer connections and approximately 660.7 acres of transferred area from Vineyard Ridge Water Supply, LLC (CCN No. 13265) to CSWR-Texas (CCN No. 13290).
- The application proposes the subtraction of approximately 660.7 acres from CCN No. 13265 and the addition of approximately 660.7 acres to CCN No. 13290.

Based on the mapping review and my technical and managerial review of the additional information filed on September 13, 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:
 - *Gillespie County Water Control and Improvement District (WCID) 1*
 - *Lower Colorado River Authority*
- b. The county judge of each county that is wholly or partially included in the requested area:
 - *Gillespie County Judge*
- c. Each groundwater conservation district that is wholly or partially included in the requested area:
 - *Hill Country Underground Water Conservation 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) File 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.

Public Utility Commission of Texas

Memorandum

TO: Olivia Lu, Attorney
Legal Division

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

DATE: September 28, 2023

RE: Docket No. 55414 – *Application of CSWR-Texas Utility Operating Company, LLC and Vineyard Ridge Water Supply, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Gillespie County*

On August 29, 2023, CSWR-Texas Utility Operating Company (CSWR-Texas), Certificate of Convenience and Necessity No. 13290, and Vineyard Ridge Water Supply, LLC filed an application for the sale, transfer, or merger of facilities and certificate rights in Gillespie 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
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. 13265 FROM VINEYARD RIDGE WATER SUPPLY, LLC IN GILLESPIE
COUNTY, TEXAS

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

(Address)

(City State Zip)

CSWR-Texas Utility Operating Company, LLC 1630 Des Peres Rd, Suite 140
(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. 13265, in Gillespie County, TX from:

Vineyard Ridge Water Supply, LLC P.O. Box 1210 Marble Falls, TX 78654
(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:

Vineyard Ridge Water Supply.

The requested area includes 76 customer connections, is located approximately 12.7 mile(s) northwest of downtown Johnson City, Texas, and is generally bounded on the north by North Grape Creek Road; on the east by North Grape Creek Road; on the south by Ranch to Market Road 2721; and on the west by Klein Ahrens Road.

The requested area includes approximately 660.7 acres of transferred area from Vineyard Ridge Water Supply, LLC (CCN No. 13265) to CSWR-Texas (CCN No. 13290).

The application proposes the subtraction of approximately 660.7 acres from CCN No. 13265 and the addition of approximately 660.7 acres to CCN No. 13290.

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. 55414

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

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. 13265 FROM VINEYARD RIDGE WATER SUPPLY, LLC IN GILLESPIE COUNTY, TEXAS

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

(Address)

(City State Zip)

CSWR-Texas Utility Operating Company, LLC 1630 Des Peres Rd, Suite 140
(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. 13265, in Gillespie County, TX from:

Vineyard Ridge Water Supply, LLC P.O. Box 1210 Marble Falls, TX 78654
(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:

Vineyard Ridge Water Supply.

The requested area includes 76 customer connections, is located approximately 12.7 mile(s) northwest of downtown Johnson City, Texas, and is generally bounded on the north by North Grape Creek Road; on the east by North Grape Creek Road; on the south by Ranch to Market Road 2721; and on the west by Klein Ahrens Road.

The requested area includes approximately 660.7 acres of transferred area from Vineyard Ridge Water Supply, LLC (CCN No. 13265) to CSWR-Texas (CCN No. 13290).

The application proposes the subtraction of approximately 660.7 acres from CCN No. 13265 and the addition of approximately 660.7 acres to CCN No. 13290.

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 LANDOWNERS DOCKET NO. 55414

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 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 Form Updated: August 2, 2023