



Control Number: 42852



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DOCKET NO. 42852

APPLICATION FROM THE CITY OF § PUBLIC UTILITY COMMISSION
SPLENDORA TO AMEND CCN NO. §
11727 IN MONTGOMERY AND § PUBLIC UTILITY COMMISSION
LIBERTY COUNTIES § FILING CLERK

NOTICE OF APPROVAL

This Notice addresses the application of the City of Splendora (Splendora) for approval of an amendment to its water certificate of convenience and necessity (CCN) No. 11727 in Montgomery and Liberty Counties (Application). The Public Utility Commission of Texas (Commission) Staff recommended approval of the Application, as amended. The Application, as amended, is approved.

The Commission adopts the following findings of fact and conclusions of law:

I. Findings of Fact

Procedural History and Background

1. On April 1, 2013, Splendora filed an Application with the Texas Commission on Environmental Quality (TCEQ) to amend water CCN No. 11727 in Montgomery and Liberty Counties.
2. Splendora requested an increase in the service area of approximately 12,000 acres and 1,000 current customers.
3. TCEQ accepted the Application for filing on June 28, 2013.
4. Splendora provided notice by publication in the *East Montgomery Observer* and the *Cleveland Advocate* on August 14 and 21, 2013. A publisher's affidavit dated August 21, 2013, attested to the notice.
5. Splendora mailed notice of the Application to neighboring systems, landowners, and cities and to neighboring utilities and affected parties on September 13, 2013. Affidavits that the landowners and other entities received notice were dated September 24, 2013.
6. Requests for hearing regarding this Application were received from Mark and Stacey Martin, City of Patton Village (Patton Village) and Joe Edward Muirhead.

7. Requests to exclude land pursuant to 16 Tex. Admin. Code § 24.102(h) (TAC) were received from Benjamin Cheng and Mark and Stacey Martin.
8. On September 1, 2014, functions relating to the economic regulation of water and sewer utilities were transferred from TCEQ to the Commission.
9. The Application was received by the Commission on September 17, 2014.
10. On September 26, 2014, the Commission referred this proceeding to the State Office of Administrative Hearings (SOAH) to conduct a hearing and issue a proposal for decision. The matter was assigned SOAH Docket No. 473-15-0422.WS.
11. On October 22, 2014, the SOAH Administrative Law Judge (ALJ) issued Order No. 2, setting a prehearing conference.
12. On October 23, 2014, the Commission issued the Preliminary Order, containing a list of issues to be addressed in this proceeding.
13. On November 18, 2014, a prehearing conference was held at SOAH.
14. On November 24, 2014, the SOAH ALJ issued SOAH Order No. 3, memorializing the prehearing conference and establishing jurisdiction over this matter.
15. On March 10, 2015, SOAH conducted a second prehearing conference.
16. On March 18, 2015, the SOAH ALJ issued SOAH Order No. 6, memorializing the second prehearing conference and setting a procedural schedule for this proceeding.
17. On April 15, 2015, the SOAH ALJ issued SOAH Order No. 8, referring this matter to mediation on June 2, 2015.
18. On April 29, 2015, Mark and Stacey Martin withdrew their protest of the Application.
19. On May 5, 2015, the SOAH ALJ issued SOAH Order No. 9, granting Mark and Stacey Martin's motion to withdraw their protest of the Application.
20. On June 2, 2015, Splendor, Patton Village, and Commission Staff participated in a SOAH-conducted mediation, at which Splendor and Patton Village reached a resolution on Patton Village's request for hearing.

21. On June 5, 2015, Splendorra filed an amendment to the Application reducing the service area requested in the initial Application.
22. On June 15, 2015, Patton Village withdrew its protest of the Application.
23. On July 9, 2015, Joe Edward Muirhead withdrew his protest of the Application.
24. On July 14, 2015, Splendorra moved to return this matter to the Commission for further processing.
25. On July 20, 2015, the SOAH ALJ issued SOAH Order No. 11, dismissing the SOAH docket and remanding the proceeding to the Commission as all protests to the Application were withdrawn and no matters in controversy remained.
26. On July 22, 2015, Splendorra filed an amendment to the Application in order to remove a small area of overlap with the City of Plum Grove.
27. On July 28, 2015, the Commission's ALJ issued Order No. 1, requiring comments/recommendation regarding the appropriate manner of continued processing of this docket leading to final resolution.
28. On August 11, 2015, Commission Staff responded to Order No. 1 and provided a procedural schedule for continued processing of this docket.
29. On September 22, 2015, the Commission's ALJ issued Order No. 2, establishing a procedural schedule.
30. On September 29, 2015, Splendorra filed clarification of the areas for amendment to its CCN, including mapping.
31. On October 2, 2015, Commission Staff requested additional time to review Splendorra's additional documentation.
32. On October 21, 2015, the Commission's ALJ issued Order No. 3, granting Commission Staff's request for extension and modifying the procedural schedule.
33. On November 9, 2015, Splendorra submitted a signed consent form evidencing its consent to Commission Staff's map and certificates, which are included with this Notice.

34. On November 16, 2015, Commission Staff recommended approval of Splendor's Application, as amended.
35. On November 23, 2015, the Commission's ALJ issued Order No. 4, admitting evidence into the record of this proceeding.

Informal Disposition

36. More than 15 days have passed since completion of the notice provided in this docket.
37. Requests for hearing were received, resolved, and subsequently withdrawn. No issues of fact or law remain disputed by any party; therefore, no hearing is necessary.

II. Conclusions of Law

1. Splendor is a retail public utility as defined in § 13.002(19) of the Tex. Water Code Ann. (West 2008 and Supp. 2015) (TWC).
2. The Commission has jurisdiction and authority over this docket pursuant to TWC §§ 13.041, 13.241, and 13.246 and 16 TAC §§ 24.102 and 24.107.
3. Splendor provided notice of the Application in compliance with TWC § 13.246 and 16 TAC § 24.106.
4. Splendor's Application was processed in accordance with TWC and Commission rules.
5. After considering the factors in TWC § 13.246(c), Splendor demonstrated adequate financial, managerial, and technical capability to provide continuous and adequate service to the requested area.
6. Splendor demonstrated that the Application meets the requirements set forth in TWC §§ 13.241, 13.244, and 13.246 and 16 TAC §§ 24.101 and 24.102 to be granted an amendment to its CCN.
7. Splendor demonstrated that an amendment of its CCN No. 11727 is necessary for the service, accommodation, convenience, or safety of the public, as required under TWC § 13.246(b) and 16 TAC § 24.102(c).

8. Pursuant to 16 TAC § 24.106(f), Splendora is required to record evidence of its approved CCN and service area in the real property records of each county in which the area is located.
9. The requirements for informal disposition pursuant to 16 TAC § 22.35 have been met in this proceeding.

III. Ordering Paragraphs

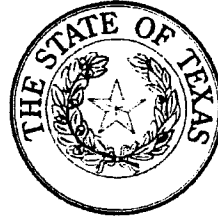
In accordance with these findings of fact and conclusions of law, the Commission issues the following Order:

1. Splendora's Application, as amended, is approved.
2. Splendora's water CCN No. 11727 is hereby amended to reflect that Splendora will provide retail water services to the requested service area in Montgomery and Liberty Counties.
3. Splendora shall serve every future customer and applicant for service within the area certified under CCN No. 11727, and such service shall be continuous and adequate.
4. Splendora shall submit to the Commission evidence of the recording of a certified copy of the map of CCN No. 11727 in the real property records of Montgomery and Liberty Counties no later than 31 days after receipt of this Notice of Approval.
5. All other motions, requests for entry of specific findings of fact and conclusions of law, and any other requests for general or specific relief, if not expressly granted herein, are denied.

SIGNED AT AUSTIN, TEXAS the 30th day of November 2015.

PUBLIC UTILITY COMMISSION OF TEXAS


IRENE MONTELONGO
DIRECTOR, DOCKET MANAGEMENT



Public Utility Commission of Texas

**By These Presents Be It Known To All That
City of Splendor**

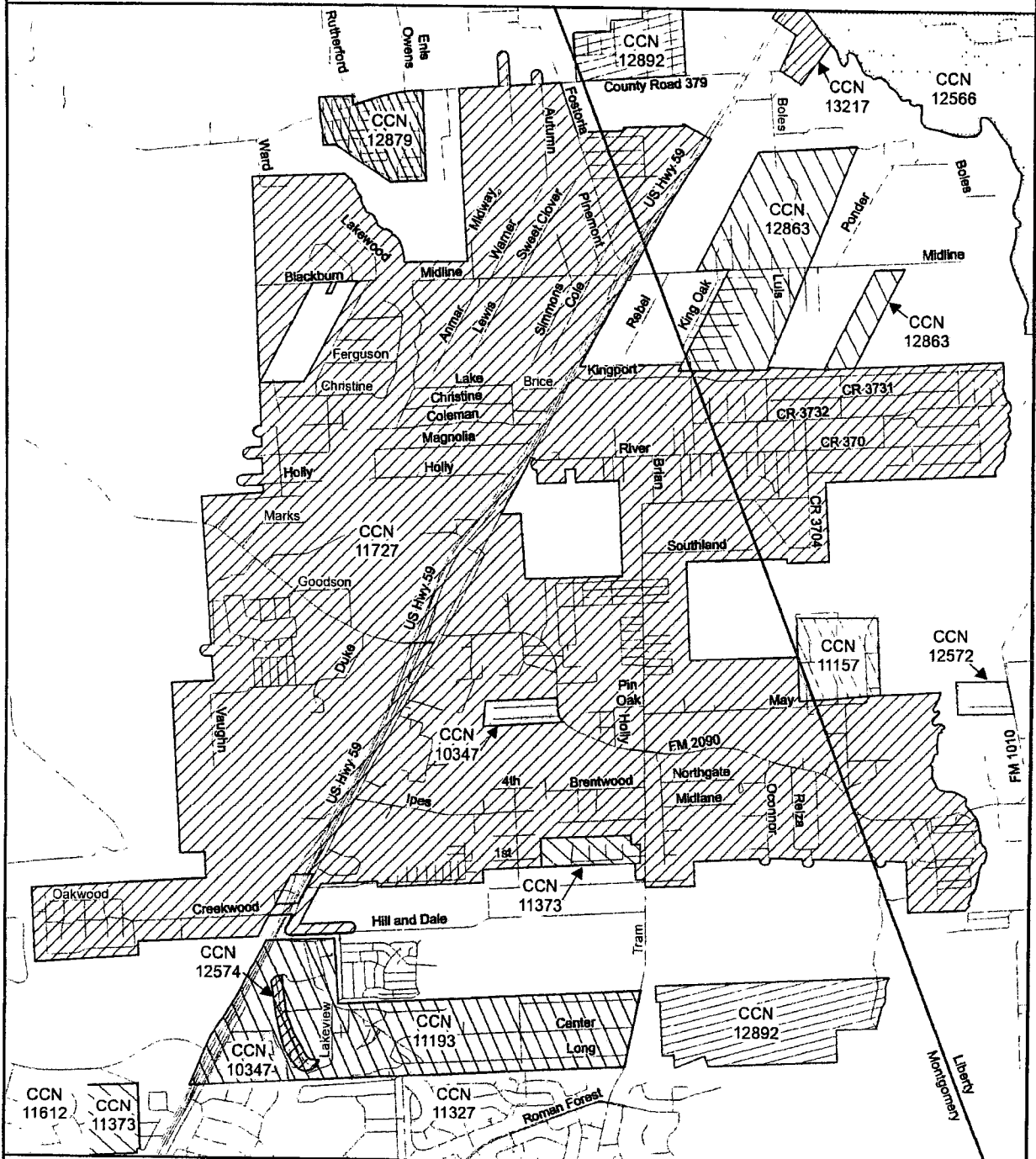
having duly applied for certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service by this Applicant, is entitled to and is hereby granted this

Certificate of Convenience and Necessity No. 11727

to provide continuous and adequate water utility service to that service area or those service areas in Liberty and Montgomery Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 42852 are on file at the Commission offices in Austin, Texas; and are a matter of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of City of Splendor to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, the 30th day of November 2015.

City of Splendor
 Water Service Area
 CCN No. 11727
 PUC Docket No. 42852
 Amended CCN No. 11727 in Liberty and Montgomery Counties



Water CCN Service Areas

- | | | | |
|--|---|--|---------------------------------------|
| | 11727 - City of Splendor | | 12892 - T & W Water Service Co |
| | 12863 - Southern Horizons | | 13217 - City of Cleveland |
| | 10347 - Consumers Water Inc | | 12566 - South Cleveland WSC |
| | 11157 - Aqua Texas Inc | | 11612 - Quadvest LP |
| | 12572 - East River Estates Water Supply | | 11193 - Patton Village Water Company |
| | 11373 - Crystal Springs Water Co Inc | | 12574 - Peach Creek Dam & Lake Club |
| | 12879 - Northwoods WSC | | 11327 - Roman Forest Consolidated MUD |



Public Utility Commission of Texas
 1701 N. Congress Ave
 Austin, TX 78701

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Map by: Komal Patel
 Date created: October 19, 2015
 Project Path: n:\finalmapping\42852\CityofSplendora.mxd