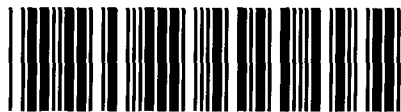




Control Number: 42932



Item Number: 59

Addendum StartPage: 0

RECEIVED

APPLICATION OF MANVILLE §
WATER SUPPLY CORPORATION §
AND LAKESIDE WATER CONTROL §
IMPROVEMENT DISTRICT 2A FOR §
APPROVAL OF A SERVICE §
AGREEMENT IN TRAVIS COUNTY §
(37795-C) §

PUBLIC UTILITY COMMISSION
OF TEXAS
PUBLIC UTILITY COMMISSION
FILING CLERK
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NOTICE OF APPROVAL

This Notice addresses the amended application of Lakeside Water Control and Improvement District 2A and Manville Water Supply Corporation for approval of a contract service agreement (CSA) in Travis and Williamson Counties. 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 November 18, 2013, Lakeside and Manville submitted a CSA to the Texas Commission on Environmental Quality (TCEQ) for approval.
2. On September 1, 2014, functions relating to the economic regulation of water and sewer utilities were transferred from the TCEQ to the Commission. This application once pending at TCEQ is now before the Commission for consideration.
3. The application was clarified and/or amended on February 19, 2015, February 23, 2015, May 22, 2015, July 31, 2015, October 1, 2015, August 11, 2016, August 29, 2016 and September 28, 2016. The application was also supplemented by discovery responses on February 25, 2016, May 10, 2016, May 18, 2016, June 6, 2016 and July 5, 2016.
4. Approval of the application, as amended, would result in Lakeside being granted water and sewer certificates of convenience and necessity (CCNs) in Travis and Williamson Counties; and the same service area being transferred from and/or decertified from Manville's water CCN and the City of Pflugerville's sewer CCN.

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5. On November 4, 2015, Order No. 8 was issued deeming the application, as amended, administratively complete, addressing notice, and establishing a procedural schedule.
6. On May 18, 2016, Lakeside provided a copy of Pflugerville's consent to decertification of the portion of the city's sewer CCN that overlaps the service area requested by Lakeside this application.
7. On September 28, 2016, the Upper Brushy Creek Water Control and Improvement District consented to Lakeside providing retail water and sewer service within the district's boundary
8. On October 13, 2016, Lakeside submitted a signed consent form evidencing agreement with the maps and certificates for its requested water and sewer CCNs, as prepared by Commission Staff.
9. On October 17, 2016, Manville submitted a signed consent form evidencing agreement with the revised water map and certificate for its water CCN No. 11144, as prepared by Commission Staff.
10. On October 18, 2016, Pflugerville submitted a signed consent form evidencing agreement with the revised map and certificate for its sewer CCN No, 20678 service area, as prepared by Commission Staff.
11. On October 20, 2016, Commission Staff recommended approval of the application, as amended, and provided copies of the revised water and sewer service area maps and certificates for Lakeside, Manville, and Pflugerville and consents thereto.
12. The revised maps and certificates discussed in Findings of Fact No. 8, 9 10 and 11 are attached to this Notice.
13. On October 25, 2016, Commission Staff and Lakeside filed a joint motion to admit evidence and joint proposed notice of approval.
14. On December 6, 2016, Commission Staff clarified that consent from the Lower Colorado River Authority for Lakeside to provide retail water and sewer service within the authority's boundary is not required.
15. On January 25, 2017, Order No. 17 was issued admitting evidence into the record.

Notice

16. Notice was provided by publication in *The Pflugerville Pflag* on November 18 and November 25, 2015.
17. On November 18, 2015, Lakeside mailed notice of the application to neighboring systems, landowners, and cities and to neighboring utilities and affected parties.
18. On December 17, 2015, Lakeside mailed additional notice of the application to certain neighboring systems and landowners that were identified by Commission Staff.
19. On December 7 and December 29, 2015, Lakeside filed affidavits attesting to mailed and published notice, including copies of individual notices.

Description of the Application

20. Lakeside seeks to obtain water and sewer CCNs for approximately 249 acres in Travis and Williamson Counties with approximately 28 current water customers and 35 current sewer customers and to have the requested water and sewer service areas transferred or decertified from Manville's water CCN No. 11444 and Pflugerville's sewer CCN No. 20678.
21. Lakeside owns all of the water distribution and sewer collection facilities in the requested service area.
22. Lakeside is currently and will continue to be the provider of retail water and sewer service in the requested service area.
23. Manville provides and will continue to provide wholesale water service to Lakeside.
24. Pflugerville provides and will continue to provide wholesale sewer treatment services to Lakeside.¹
25. Pflugerville operates and maintains Lakeside water and sewer systems and provides customer services to Lakeside's water and sewer customers under a Professional Services Agreement.²

¹ Lakeside Water Control and Improvement District No. 2A's Response to Order No. 5, Attachment A, Page 32 (May 22, 2015) (providing supplemental application requesting new water and sewer CCNs for Lakeside).

² *Id.*, Page 30.

Informal Disposition

- 26. The only parties to this proceeding are Commission Staff, Manville and Lakeside.
- 27. More than 15 days has passed since completion of the notice.
- 28. No issues of fact or law remain disputed by any party; therefore no hearing is necessary.
- 29. The requirements for informal disposition have been met in this proceeding.³

II. Conclusions of Law

- 1. The Commission has jurisdiction and authority over this docket under Texas Water Code §§ 13.041 and 13.241 (TWC).
- 2. Lakeside and Manville are retail public utilities as defined in TWC § 13.002(19) and 16 Texas Administrative Code § 24.3(58) (TAC).
- 3. Public notice of the application was provided in compliance with TWC § 13.246 and 16 TAC § 24.106.
- 4. After considering the factors in TWC § 13.246(c), Lakeside has demonstrated adequate financial, managerial and technical capability for providing continuous and adequate service to the requested water and sewer service areas, as required by TWC § 13.241.
- 5. The application, as amended, meets the requirements set forth in TWC §§ 13.241, 13.244 and 13.246, and 16 TAC §§ 24.101-24.102 and 24.104-24.106.
- 6. Lakeside and Manville are entitled to approval of the application, as amended, having demonstrated that new water and sewer CCNs for Lakeside and partial decertification of Manville's water CCN and Pflugerville's sewer CCN, as requested in this application, are necessary for the service, accommodation, convenience, and safety of the public as required by TWC § 13.246(b) and 16 TAC § 24.102(c).
- 7. Under TWC § 13.257(r) and 16 TAC § 24.106(f), Lakeside, Manville and Pflugerville are each required to record a certified copy of their respective approved CCN and map, along with a boundary description of the service area, in the real property records of each county

³ 16 Tex. Admin. Code § 22.35 (TAC).

in which the service area or a portion of the service area is located, and submit to the Commission evidence of the recording.⁴

8. The requirements for informal disposition as required by 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. The application, as amended, is approved.
2. Lakeside is granted water CCN No. 13249 in Travis and Williamson Counties, consistent with this Notice.
3. Lakeside shall serve every water customer and applicant for water service within the areas certified under CCN No. 13249, and such service shall be continuous and adequate.
4. Lakeside is granted sewer CCN No. 21095 in Travis and Williamson Counties, consistent with this Notice.
5. Lakeside shall serve every customer and applicant for sewer service within the areas certified under CCN No. 21095, and such service shall be continuous and adequate.
6. Manville's water CCN No. 11444 is amended, consistent with this Notice.
7. Manville shall continue to serve every customer and applicant for water service within the areas certified under CCN No. 11444, and such service shall be continuous and adequate.
8. Pflugerville's sewer CCN No. 20678 is amended, consistent with this Notice.
9. Pflugerville shall continue to serve every customer and applicant for sewer service within the areas certified under CCN No. 20678, and such service shall be continuous and adequate.
10. Lakeside, Manville and Pflugerville shall comply with the recording requirements in TWC § 13.257(r) for the area in Travis and Williamson Counties affected by the application and

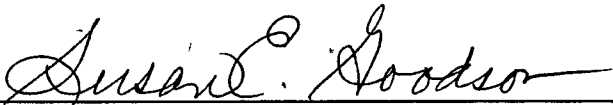
⁴ TWC § 13.257(r) and 16 TAC § 24.106(f).

submit to the Commission evidence of the recording no later than 31 days after receipt of this Notice.

11. 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 on the 25th day of January 2017.

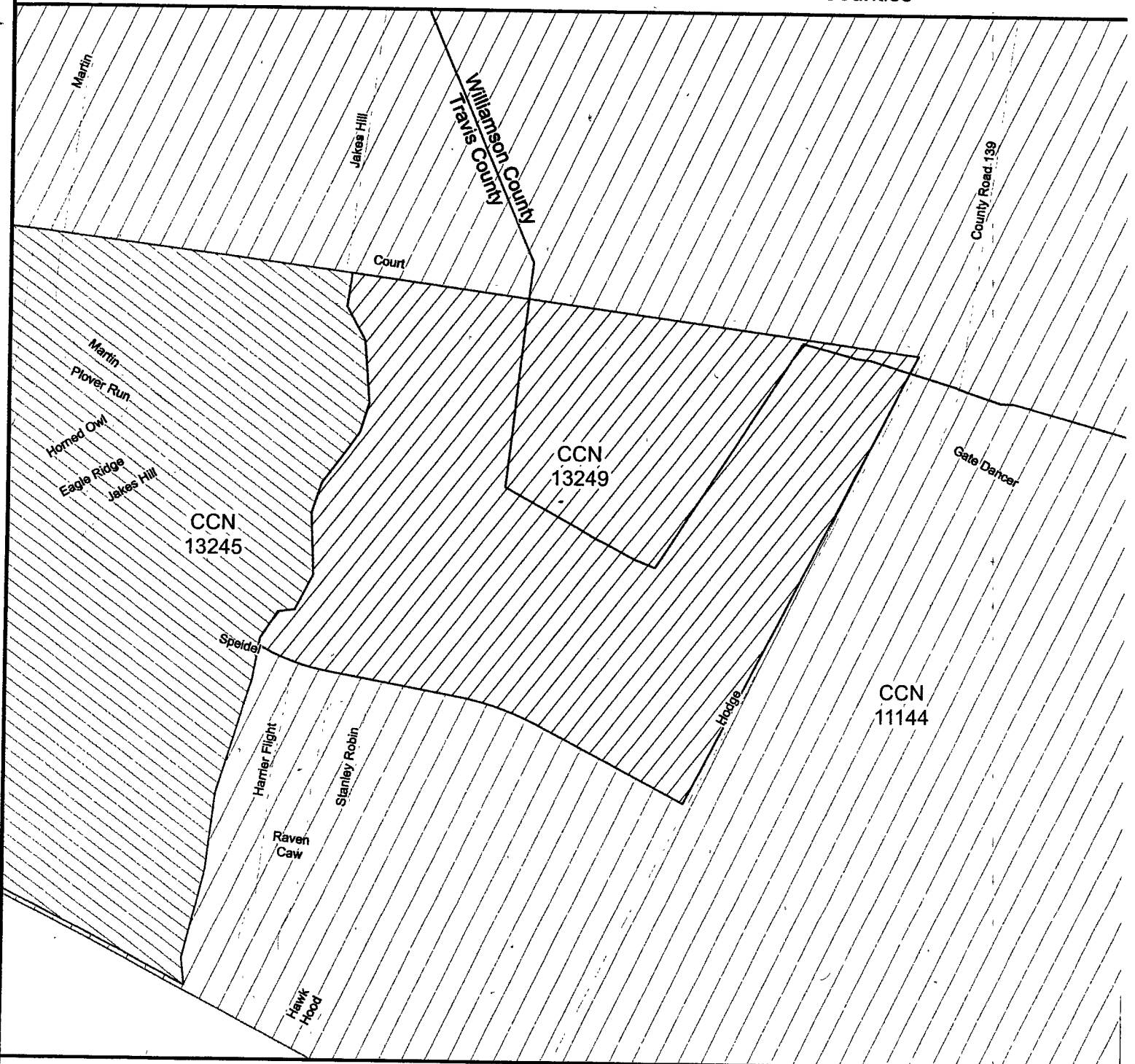
PUBLIC UTILITY COMMISSION OF TEXAS



SUSAN E. GOODSON
ADMINISTRATIVE LAW JUDGE




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Lakeside Water Control Improvement District 2A
 Water Service Area
 CCN No. 13249
 PUC Docket No. 42932
 Obtained New CCN and Decertified a Portion of
 Manville WSC, CCN No. 11144 in Travis and Williamson Counties



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

Water CCN Service Areas

-  13249 - Lakeside WCID 2A
-  13245 - Lakeside WCID 2C
-  11144 - Manville WSC







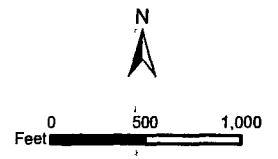
Lakeside Water Control Improvement District 2A
 Sewer Service Area
 CCN No. 21095
 PUC Docket No. 42932
 Obtained New CCN and Decertified a Portion of
 City of Pflugerville, CCN No. 20678 in Travis and Williamson Counties



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

Sewer CCN Service Areas

-  21095 - Lakeside WCID 2A
-  21094 - Lakeside WCID 2C
-  20678 - City of Pflugerville
-  20122 - City of Hutto





Public Utility Commission Of Texas

By These Presents Be It Known To All That

Lakeside Water Control Improvement District 2A

having obtained 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, Lakeside Water Control Improvement District 2A, is entitled to this

Certificate of Convenience and Necessity No. 13249

to provide continuous and adequate sewer utility service to that service area or those service areas in Travis and Williamson Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 42932 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the Lakeside Water Control Improvement District 2A, 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, this 25th day of January 2017.



Public Utility Commission Of Texas

By These Presents Be It Known To All That

Manville Water Supply Corporation

having obtained 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, Manville Water Supply Corporation, is entitled to this:

Certificate of Convenience and Necessity No. 11444

to provide continuous and adequate sewer utility service to that service area or those service areas in Lee, Travis and Williamson Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 42932 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the Manville Water Supply Corporation, 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, this 25th day of January 2017.



Public Utility Commission Of Texas

By These Presents Be It Known To All That

Lakeside Water Control Improvement District 2A

having obtained certification to provide sewer 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, Lakeside Water Control Improvement District 2A, is entitled to this:

Certificate of Convenience and Necessity No. 21095

to provide continuous and adequate sewer utility service to that service area or those service areas in Travis and Williamson Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 42932 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the Lakeside Water Control Improvement District 2A, 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, this 25th day of January 2017.



Public Utility Commission Of Texas

By These Presents Be It Known To All That

City of Pflugerville

having obtained certification to provide sewer 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, City of Pflugerville, is entitled to this

Certificate of Convenience and Necessity No. 20678

to provide continuous and adequate sewer utility service to that service area or those service areas in Travis and Williamson Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 42932 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the City of Pflugerville 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, this 25th day of January 2017.