

Control Number: 42946



Item Number: 36

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House Bill (HB) 1600 and Senate Bill (SB) 567 83rd Legislature, Regular Session, transferred the functions relating to the economic regulation of water and sewer utilities from the TCEQ to the PUC effective September 1, 2014.

42946

LAW OFFICES OF MARK H. ZEPPA, P.C.

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November 2, 2012

Ms. Tammy Holguin-Benter, Manager Utilities & Districts Section Texas Commission on Environmental Quality P O Box 13087, MC 153 Austin, Texas 78711-3087

Re: Application from Mustang Special Utility District (SUD), Certificate of Convenience and Necessity (CCN) No. 11856, to Transfer Facilities and to Transfer and Cancel CCN No. 13020 from Denton County Fresh Water Supply District (FWSD) 9, in Denton County; Application No. 36966-S

Application from Mustang SUD, CCN No 20930, to Transfer Facilities and to Transfer and Cancel CCN No. 20922 from Denton County FWSD 9, in Denton County; Application No. 36967-S

CN: 601363534; RN: 101222669 (water) 102946019 (sewer) (Mustang SUD)

CN: 600739387; RN: 101410140 (water & sewer) (Denton FWSD 9)

Dear Ms. Holguin-Benter:

Providence Village WCID of Denton County fka Denton County FWSD 9 (Providence Village or the District) is a co-applicant with Mustang Special Utility District (Mustang) in the above-referenced sale-transfer-merger (STM) applications. Since the joint STM applications were filed, various changes of circumstances have occurred, civil litigation over the sale has been initiated and the TCEQ has failed to approve the contract of sale between the parties as required by the terms of that document. In addition, Mustang and Providence Village failed to close the transfer within 12 months of your August 24, 2011 letter waiving a contested hearing on the STM applications. No timely extension request was filed and granted before the 12 months expired so the STM applications are now void pursuant to 30 TAC §291.112(e). Nevertheless, I have

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been advised by Staff Engineer Brian Dickey that the applications are being maintained on the Executive Director's docket even though the applications are void.

Given the state of confusion that exist over these applications and the irreparable harm that could arise if the District's water and sewer systems were transferred prematurely, Providence Village formally withdraws from the above-referenced STM applications and requests that the applications be returned to Mustang and the District.

If you have any question about this notice of withdrawal, please call me at your convenience.

Sincerely yours,

Mark H. Zeppa, Special Counsel to Providence Village WCID of Denton

County

Cc: John Rapier

> **Anthony Corbett Brian Dickey** Clay Crawford