

Control Number: 42995



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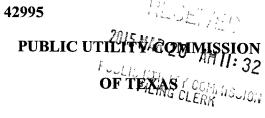
DOCKET NO. 42995

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APPLICATION OF KAUFMAN COUNTY MUNICIPAL UTILITY DISTRICT NO. 12 AND KAUFMAN COUNTY MUNICIPAL UTILITY DISTRICT NO. 11 FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY IN KAUFMAN COUNTY (37742-S, 37443-S)



NOTICE OF APPROVAL

This Notice addresses the application of Kaufman County Municipal Utility District No. 12 and Kaufman County Municipal Utility District No. 11 for sale, transfer or merger of facilities and for a certificate of convenience and necessity in Kaufman County. Public Utility Commission of Texas (Commission) Staff recommended approval of the application. The application is approved.

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

I. Findings of Fact

- 1. On October 20, 2013, Kaufman County Municipal Utility District No. 12 (Kaufman 12) and Kaufman County Municipal Utility District No. 11 (Kaufman 11) filed a sale, transfer, merger application with the Texas Commission on Environmental Quality (TCEQ).
- Kaufman 12 holds water and sewer Certificate of Convenience and Necessity (CCN) Nos. 13087 and 20982, respectively, and is a municipal utility district in Kaufman County.
- 3. Kaufman 11 is a municipal utility district in Kaufman County.
- 4. The application comprises the sale and transfer of a portion of the water and sewer certificated service area held under Kaufman 12's water and sewer CCN Nos. 13087 and 20982 in Kaufman County from Kaufman 12 to Kaufman 11, and Kaufman 11's request for new water and sewer CCNs for the transferred service areas.

- 5. On March 20, 2011, and June 4, 2014, Kaufman 11 provided proof of sufficient notice to neighboring utilities and affected parties, which was provided on March 19, 2014, and April 30, 2014, respectively.
- 6. No one contested the application.
- 7. A public hearing on the merits was not necessary.
- 8. By letter dated June 6, 2014, the Texas Commission on Environmental Quality (TCEQ) instructed Kaufman 12 and Kaufman 11 to proceed with the transaction and to provide final documentation of certificated service areas being transferred to Kaufman 11 and documents supporting the disposition of customer deposits.
- 9. On September 1, 2014, functions relating to the economic regulation of water and sewer utilities were transferred from TCEQ to the Commission.
- 10. On November 26, 2014, Kaufman 12 and Kaufman 11 provided the signed sale contract and information regarding the disposition of customer deposits.
- 11. On January 29, 2015, Kaufman 12 provided a signed document consenting to the certificate and map of Kaufman 12's amended service area under water and sewer CCN Nos. 13087 and 20982, as prepared by Commission Staff.
- 12. On January 29, 2015, Kaufman 11 provided a signed document consenting to the certificate and map of Kaufman 11's new service area under water and sewer CCN Nos. 13226 and 21080, as prepared by Commission Staff.
- 13. The maps described in Finding of Fact No. 10 are attached to this Notice as Attachment 1. The revised CCN certificates are attached to this Notice as Attachment 2.
- 14. On February 27, 2105, Commission Staff recommended that the application be approved.
- 15. On March 19, 2015, the Commission issued Order No. 5, admitting evidence into the record of this proceeding.

II. Conclusions of Law

1. The Commission has jurisdiction over these matters pursuant to Texas Water Code §§ 13.246, 13.254, 13.301 and P.U.C. SUBST. R. 24.109 and 24.112.

- Kaufman 12 and Kaufman 11 are retail public utilities as defined in Texas Water Code § 13.002 and P.U.C. SUBST. R. 24.3(41).
- 3. Public notice of the application was provided as required by Texas Water Code § 13.301(a)(2).
- 4. The application was processed in accordance with the requirements of the Texas Water Code § 13.301 and P.U.C. SUBST. R. 24.109 and 24.112.
- 5. Kaufman 12 and Kaufman 11 completed the sale within 365 days from the date of TCEQ's approval of the sale, consistent with P.U.C. SUBST. R. 24.112(e).
- 6. After considering the factors in Texas Water Code § 13.246(c), Kaufman 11 has demonstrated adequate financial, managerial, and technical capability for providing continuous and adequate service to the requested area.
- 7. Kaufman 12 and Kaufman 11 have demonstrated that the sale and transfer of certificated service areas and new CCNs requested in this application are necessary for the service, accommodation, convenience, and safety of the public.
- 8. The requirements for informal disposition pursuant to P.U.C. PROC. R. 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 of Kaufman 11 and Kaufman 12 is approved.
- The portion of certificated service areas held under Kaufman 12's water and sewer CCN Nos. 13087 and 20982 are transferred to Kaufman 11.
- 3. Kaufman 11 is assigned CCN No. 13226 and CCN No. 21080.
- 4. Kaufman 11 shall serve every customer and applicant for service within the areas previously served by Kaufman 12 under the CCN Nos. 13087 and 20982, now under CCN Nos. 13226 and 21080, and such service shall be continuous and adequate.

5. All other motions, requests for entry of specific findings of fact or conclusions of law, and any other requests for general or specific relief, if not expressly granted herein, are denied.

SIGNED AT AUSTIN, TEXAS the 21 H day of March 2015.

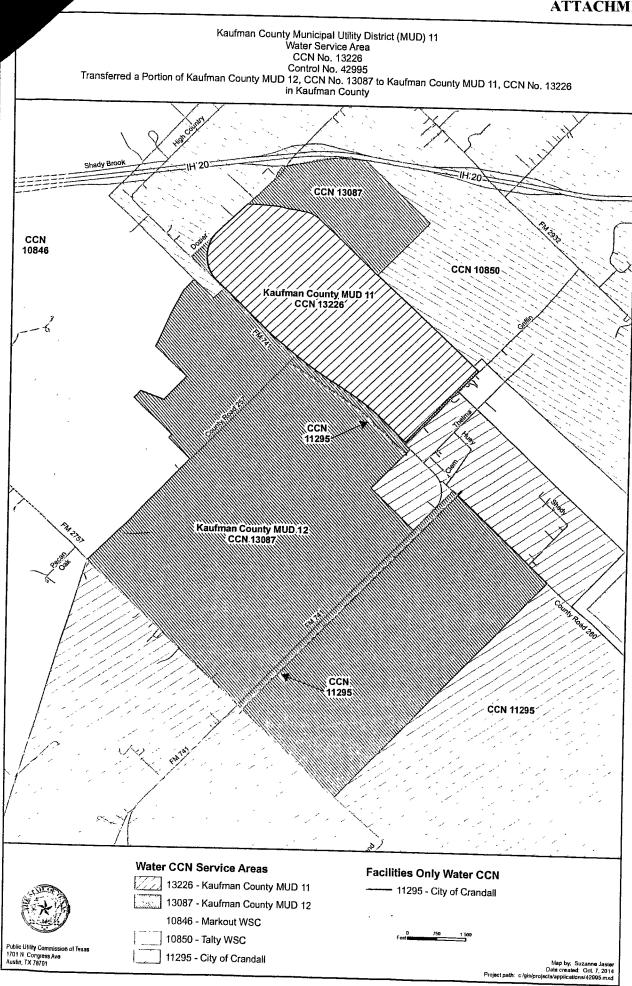
PUBLIC UTILITY COMMISSION OF TEXAS

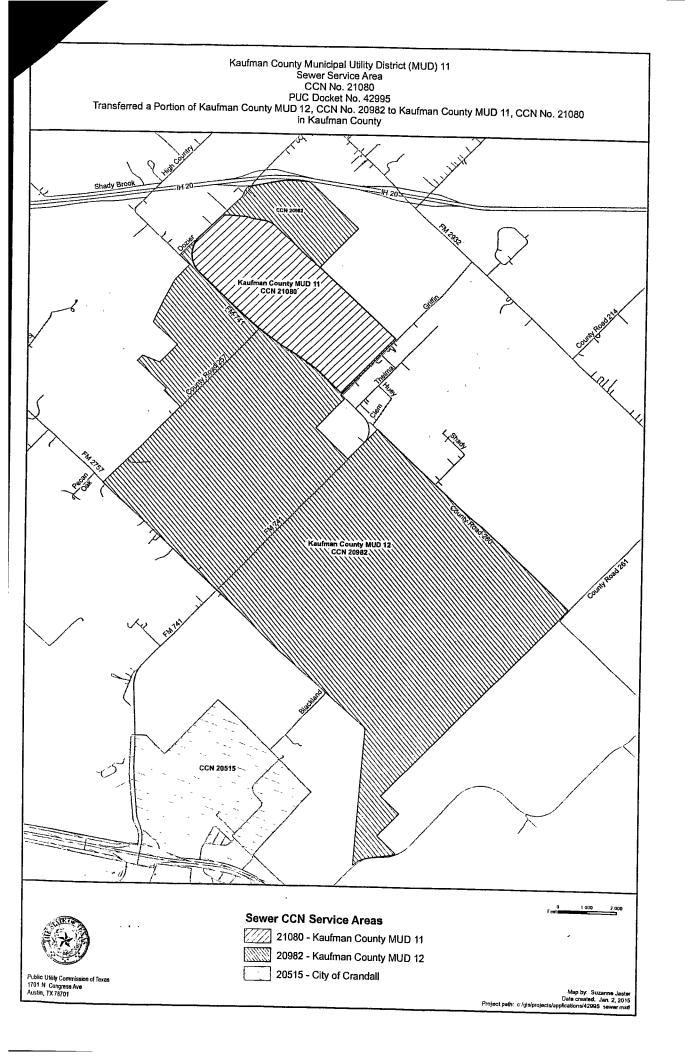
IRENE MONTELONGO

DIRECTOR, DOCKET MANAGEMENT

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By These Presents Be It Known To All That

Kaufman County Municipal Utility District No. 12

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. 13087

to provide continuous and adequate water utility service to that service area or those service areas in Kaufman County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 42995 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 Kaufman County Municipal Utility District No. 12 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 DHR day of March 2015.



By These Presents Be It Known To All That

Kaufman County Municipal Utility District No. 12

having duly applied for 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 by this Applicant, is entitled to and is hereby granted this

Certificate of Convenience and Necessity No. 20982

to provide continuous and adequate sewer utility service to that service area or those service areas in Kaufman County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 42995 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 Kaufman County Municipal Utility District No. 12 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 <u>2046</u> day of <u>March</u> 2015.



By These Presents Be It Known To All That

Kaufman County Municipal Utility District No. 11

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. 13226

to provide continuous and adequate water utility service to that service area or those service areas in Kaufman County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 42995 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 Kaufman County Municipal Utility District No. 11 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 <u>20th</u> day of <u>Murch</u> 2015.



By These Presents Be It Known To All That

Kaufman County Municipal Utility District No. 11

having duly applied for 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 by this Applicant, is entitled to and is hereby granted this

Certificate of Convenience and Necessity No. 21080

to provide continuous and adequate sewer utility service to that service area or those service areas in Kaufman County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 42995 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 Kaufman County Municipal Utility District No. 11 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 <u>2046</u> day of <u>March</u> 2015.