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DOCKET NO. 43253

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APPLICATION OF THE CITY OF SCHERTZ TO AMEND ITS SEWER **CERTIFICATE OF CONVENIENCE** NECESSITY IN BEXAR COUNTY (37913-C)

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OF TEXAS

NOTICE OF APPROVAL

This Notice addresses the application of the City of Schertz to amend its sewer certificate of convenience and necessity (CCN) No. 20271 in Bexar County. 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

- On May 9, 2014, Schertz filed an application with the Texas Commission on 1. Environmental Quality (TCEQ) to amend its sewer CCN No. 20271.
- 2. On September 1, 2015, functions relating to the economic regulation of water and sewer utilities were transferred from the TCEQ to the Commission.
- 3. On September 26, 2014, Schertz's application was received by the Commission from TCEQ.
- Approval of the application would result in Schertz being dually certificated with a portion 4. of the San Antonio River Authority's (SARA) sewer CCN No. 20852 and decertification of approximately 312 acres of Schertz's existing service area.
- On October 9, 2014, Order No. 3 was issued, finding the application administratively 5. incomplete and giving Schertz the opportunity to cure the deficiencies. Schertz filed subsequent amendments to the application to address the deficiencies.
- 6. On May 5, 2015, Order No. 10 was issued, deeming the amended application administratively complete, requiring the provision of notice, and establishing a procedural schedule.

- On June 17, 2015, Vernell S. Handley filed a request, along with the necessary information, to exclude his tract from the service area at issue.
- 8. On July 14, 2015, Schertz filed a revised map of the proposed sewer service area, with optout properties removed, and TCEQ's approval letter for the proposed sewer system.
- 9. On August 4, 2015, Schertz filed a letter from SARA supporting Schertz's application.
- 10. On August 20, 2015, Schertz filed additional mapping information and resubmitted some of its proof of notice.
- 11. On March 4, 2016, Schertz provided revised digital mapping data.
- On May 4, 2016, Schertz consented to the revised maps and certificate for CCN No. 20271 prepared by Commission Staff.
- 13. On May 10, 2016, Commission Staff recommended approval of the application and provided final maps and a certificate.
- The maps and certificate referenced in Findings of Fact No. 12 and 13 are attached to this Notice.

<u>Notice</u>

- 15. On May 15, 2015, mailed notice was provided to neighboring utilities, landowners and affected parties.
- On May 15, 2015 and on May 22, 2015, notice was also provided by publication in the San Antonio Express-News, a newspaper circulated in Bexar County.
- 17. On May 29, 2015, Schertz filed affidavits attesting to mailed and published notice, including copies of individual notices. On August 20, 2015, Schertz resubmitted some of its proof of notice.

The Application

- 18. Schertz seeks two amendments to CCN No. 20271; (1) to reflect dual certification with an approximately 3,149 acre portion of SARA's CCN No. 20852 and (2) to reflect the decertification of approximately 312 acres from Schertz's existing certificated service area.
- 19. SARA consented to the dual-certification requested by Shertz.

20. There are no sewer customers in the area in which Schertz seeks decertification.

Evidentiary Record

21. On July 6, 2016, Order No. 18, was issued, admitting evidence into the record.

Informal Disposition

- 22. Commission Staff and Schertz are the only parties to this proceeding.
- 23. No protests, motions to intervene, or request for hearing were filed in this proceeding, therefore no hearing is required.
- 24. At least fifteen (15) days have passed since the completion of all notice requirements.
- 25. The requirements for informal disposition pursuant to 16 Tex. Admin. Code § 22.35 (TAC) have been met in this proceeding.

II. Conclusions of Law

- 1. The Commission has jurisdiction over these matters pursuant to Texas Water Code §§ 13.041, 13.241, 13.244, 13.246 and 13.254 (TWC).
- 2. Schertz is a municipally owned utility as defined in TWC § 13.002(13) and a retail public utility as defined in TWC § 13.002(19).
- 3. Schertz provided notice in compliance with TWC § 13.246 and 16 TAC § 24.106.
- 4. After considering the factors in TWC § 13.246(c), Schertz has demonstrated adequate financial, managerial and technical capability for providing continuous and adequate service to the requested area and its current service area as required by TWC § 13.241.
- 5. Schertz is entitled to the decertification requested, having demonstrated that the City has never provided service in the area, as required by TWC § 13.254(a)(1).
- The application, as amended, meets the requirements set forth in TWC §§ 13.241, 13.244, 13.246 and 13.254, and 16 TAC §§ 24.101-24.102, 24.104-24.106 and 24.113.
- Approval of the certificate amendments 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).

- 8. Under TWC § 13.257(r) and 16 TAC § 24.106(f), Schertz is required to record a certified copy of the approved CCN and map, along with a boundary description of the service area, in the real property records of each county in which the service area or a portion of the service area is located, and submit to the Commission evidence of the recording.
- 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 fact statements and legal conclusions, the Commission issues the following Order:

- 1. Schertz's application, as amended, is approved.
- 2. Schertz's CCN No. 20271 is amended consistent with this Notice, to reflect dual certification with an approximately 3,149 acre portion of SARA's CCN No. 20852 and decertification of approximately 312 acres of existing service area.
- 3. Schertz shall serve every customer and applicant for service within the areas certified under CCN No. 20271, and such service shall be continuous and adequate.
- Schertz shall comply with the recording requirements in TWC § 13.257(r) for the area in Bexar County affected by the application and submit to the Commission evidence of the recording no later than 31 days after receipt of this Notice.
- 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 hereby denied.

SIGNED AT AUSTIN, TEXAS the (47) day of July 2016.

PUBLIC UTILITY COMMISSION OF TEXAS USÁN E. GOODSON

ADMINISTRATIVE LAW JUDGE

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Public Utility Commission of Texas

By These Presents Be It Known To All That

City of Schertz

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 Schertz is entitled to this

Certificate of Convenience and Necessity No. 20271

to provide continuous and adequate sewer utility service to that service area or those service areas in Bexar, Comal, and Guadalupe Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 43253 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 Schertz 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 ______day of ______day of ______2016.



