

Control Number: 44209



Item Number: 1

Addendum StartPage: 0

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

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	Fisher & Newsom, P.C. Attorneys at Law 111 Congress Avenue, Suite 820 Austin, Texas 78701-4043 (512) 477-4121 FAX (512) 477-2860	2015 JAN -9 PM 1: 40 UBLIC UTILIT (COMPLESIÓN 4201 Wingren, Suite 106 Irving, Texas 75062 (972) 281-5820 FAX: (972) 650-1057	
Skip Newsom*			
-	July, 19, 1999		
The Honorable Tommy L. Administrative Law Judge State Office of Administrat P.O. Box 13025 Austin, Texas 78711-3025	Broyles tive Hearings 5	OHER CLERKS OFFICE VO. 2	
·	e Town of Westlake and Lake Turner ificates of Convenience and Necessity	Municipal Utility Districts No. 2 7; SOAH Docket Nos. 582-97- 1996 - 1898 - UCRT 7 32/99 MV	

Dear Judge Broyles:

The City of Keller is in receipt of your July 13, 1999 Order setting this matter for evidentiary hearing. This letter requests dismissal of the above proceedings, or, alternatively, a pre-hearing conference in lieu of the September 7, 1999 evidentiary hearing scheduled by such Order.

The Westlake and Lake Turner MUD applications each seek certification to an area that is within Keller's water CCN No. 10975 and Keller has opposed such proposed encroachments of its service area. The proceedings have been abated since their inception in early 1997 to allow the applicants to adjudicate and/or settle various differences affecting their legal and fiscal capacities. Keller has not participated in either the litigation or the mediation efforts between the applicants.

Despite the amount of time allowed by the ALJ, the Town of Westlake and Lake Turner MUDs have not fully resolved their judicial and contractual differences and it is unlikely that any such resolution will be forthcoming in the near future. During the lengthy abatement of these proceedings, no discovery has been conducted by Keller or other parties and new substantive and procedural requirements applicable to CCN applications have been adopted by the Texas

*Board Certified, Administrative Law--Texas Board of Legal Specialization

Honorable Tommy Lee Broyles July 19, 1999 Page 2

Legislature and implemented by the Texas Natural Resource Conservation Commission. The pending applications have not been amended to satisfy current regulatory requirements.

The City of Keller submits that it is greatly disadvantaged by the current process and progress of this docket, whereby the competing applicants have been granted essentially a moratorium on discovery and unlimited time to negotiate, strategize, prepare and finalize their respective positions to adversely impact the City's CCN without affording the City of Keller any means by which to determine (a) what agreements, if any, applicants have reached between themselves, (b) how applicants propose to serve the area, (c) their managerial, financial and technical capability of providing such service, (d) their efforts, if any, to obtain regional service and (e) how either applicant proposes to address currently applicable statutory and regulatory criteria. The City of Keller should not be further penalized or disadvantaged by the applicants' inability to timely resolve their own internal differences.

Accordingly, the City requests that the applications of the Town of Westlake and Lake Turner MUD Nos. 2 and 3 be dismissed for want of prosecution, without prejudice to their refiling, should either or both parties desire to refile under currently applicable criteria. Such refiled applications, if any, should address current regulatory requirements as the pending applications do not. In the alternative, the City of Keller requests that the September 7, 1999 proceeding, currently scheduled for evidentiary hearing on the merits, be converted to a prehearing conference to allow the parties to preliminarily identify issues and develop a briefing, discovery and hearing schedule for same.

Yours very truly,

Skip Newson

Skip Newsom

SN/keg

cc Service List

SERVICE LIST

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Mr. Robert G. West Michener, Larimore, Swindle, et al. 3500 City Center Tower II 301 Commerce Street Fort Worth, Texas 76102-4186

Mr. R.L. Guinn 3500 Lincoln Plaza 500 North Akard Street Dallas, Texas 75201

Mr. Tom Allen Maguire Thomas Partners 9 Village Circle, Suite 500 Westlake, Texas 76262 Lake Turner MUD Nos. 2 and No. 3

Hillwood/Willowbend, Ltd. Lake Turner MUD Nos. 2 and 3

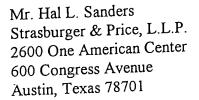
City of Keller

Trophy Club MUD No. 1

Trophy Club MUD No. 1

Lake Turner MUD No. 1

Maguire Thomas Partners-Westlake Southlake Partnership



Mr. Rick Frederick 624 Walnut Grove Roanoke, Texas 76262

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Maguire Thomas Partners-Westlake Southlake Partnership and MTB-IBM Phase II/III Joint Venture

Walnut Grove Water System (not protest; request for notice of hearing)

Town of Westlake

Lake Turner MUD Nos. 2 and 3

SOAH DOCKET NOS. 582-97-0134 & 582-97-0175

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APPLICATIONS OF LAKE TURNER		
MUD NOS. 2 & 3 and TOWN		
OF WESTLAKE FOR CCNs		

STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

✓ Docket 582-97-0134: ORDER NO. 5 1994 - 1901 - U.C.L ✓ Docket 582-97-0175: ORDER NO. 7 1994 - 1898 - U.C.L ★ <u>Clarifying Purpose of Hearing</u>

This matter was recently set for evidentiary hearing on September 7, 1999. Because of the similar District Court litigation and the length of time the parties have had to negotiate this matter, the hearing was noticed up to combine the preliminary hearing with the evidentiary hearing. However, should the parties need time for a short discovery period, the hearing on the merits will be continued and the September 7, 1999, hearing will be a preliminary hearing.

Signed this 20th day of July, 1999.

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ADMINISTRATIVE LAW JUDGE

CITEF CREATER & CARICE ~.) r-m 7/23/99 M.V.

MAILING LIST Applications of Lake Turner MUD Nos. 2 & 3 and Town of Westlake SOAH Docket Nos. 582-97-0134 & 582-97-0175

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Mr. Robert G. West Michener, Larimore, Swindle, et al. 3500 City Center Tower II 301 Commerce Street Fort Worth, Texas 76102-4186

Mr. R. L. Guinn 3500 Lincoln Plaza 500 North Akard Street Dallas, Texas 75201

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Attn: Docket Clerk Office of the Chief Clerk MC-105 TNRCC P. O. Box 13087 Austin, Texas 78711-3087

1996-1901-uce 1916-189 De CE C SOAH DOCKET NOS. 582-97-0134 & 582-97-0175

APPLICATIONS OF LAKE TURNER MUD NOS. 2 & 3 and TOWN OF WESTLAKE FOR CCNs STATE OFFICE CHIEF CLERIS OFFICE OF

ADMINISTRATIVE HEARINGS

Docket 582-97-0134: ORDER NO. 4 Docket 582-97-0175: ORDER NO. 6 Setting Evidentiary Hearing

On March 6, 1997, this matter was referred to SOAH. On March 21, 1997, the case was continued due to ongoing mediation. An abatement of the proceeding was granted on October 24, 1997, due to pending litigation in state court that would have an impact on the applications.

On numerous occasions, the parties have filed status reports requesting that the abatement continue. The latest report, filed on March 5, 1999, requested abatement for an additional six months due to ongoing settlement negotiations.

The time has come for the parties to settle this matter, go to hearing, or have the cases dismissed for want of prosecution. If a mediator would be helpful, please advise so that one may be provided.

This matter is set for evidentiary hearing on September 7, 1999. The hearing will convene at 10:00 a.m., in the SOAH courtrooms on the 11th floor, Stephen F. Austin Building, 1700 North Congress Ave. in Austin, Texas.

day of July, 1999. Signed this l

ADMINISTRATIVE LAW JUDGE

MAILING LIST Applications of Lake Turner MUD Nos. 2 & 3 and Town of Westlake SOAH Docket Nos. 582-97-0134 & 582-97-0175

Mr. Timothy G. Green Coats, Rose, Yale, Holm, Ryman & Lee 800 First City Tower 1001 Fannin Houston, Texas 77002-6707

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Mr. R. L. Guinn 3500 Lincoln Plaza 500 North Akard Street Dallas, Texas 75201

Mr. Tom Allen Maguire Thomas Partners 9 Village Circle, Suite 500 Westlake, Texas 76262 Mailing List (continued) Lake Turner MUD Nos. 2 & 3 Town of Westlake

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Mr. Rick Frederick 624 Walnut Grove Roanoke, Texas 76262

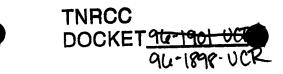
Maria Sanchez, Staff Attorney Legal Services Division MC-173 TNRCC P. O. Box 13087 Austin, Texas 78711-3087

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SOAH DOCKET NOS. 582-97-0134 & 582-97-0175

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APPLICATIONS OF LAKE TURNER MUD NOS. 2 & 3 and TOWN OF WESTLAKE FOR CCN STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

CLERUS OFFICE

Docket 582-97-0134: ORDER NO. 3 Docket 582-97-0175: ORDER NO. 5

Granting Requests to Continue Abatement of Proceedings

On May 1, 1998, the Town of Westlake and Lake Turner Municipal Utility Districts No. 2 and No. 3 filed status reports requesting an additional six month abatement of the proceedings. Both parties cited pending litigation, that will have an impact on applications for certificates of convenience and necessity, as reason for their requests.

WHEREAS good cause for the abatement of proceedings has been shown, this cause is abated indefinitely. The parties are ordered to file a status report by December 1, 1998.

Signed this $\frac{\partial}{\partial t} day$ of May, 1998.

ADMINISTRATIVE LAW JUDGE

MAILING LIST Application of the Town of Westlake SOAH Docket No. 582-97-0175

Mr. Timothy G. Green Coats, Rose, Yale, Holm, Ryman & Lee 800 First City Tower 1001 Fannin Houston, Texas 77002-6707

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Mr. Andrew N. Barrett McGinnis, Lochridge & Kilgore, L.L.P. 1300 Capitol Center 919 Congress Avenue Austin Texas 78701 Mailing List (continued) Town of Westlake

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Attn: Docket Clerk Office of the Chief Clerk MC-105 TNRCC P. O. Box 13087 Austin, Texas 78711-3087 LLOYD, GOSSELINK, BLEVINS, ROCHELLE,

BALDWIN & TOWNSEND, P. C.

ATTORNEYS AT LAW

III CONGRESS AVENUE SUITE 1800 AUSTIN, TEXAS 78701 TELEPHONE (512) 322-5800 TELECOPIER (512) 472-0532

Mr. Rochelle's Direct Line: (512) 322-5810

email: mrochelle@lglawfirm.com

April 30, 1998

The Honorable Tommy Broyles Administrative Law Judge State Office of Administrative Hearings 300 W. 15th Street, Suite 502 P.O. Box 13025 Austin, Texas 78711-3025

Re:

CLERKS OFFIC TNRCC ų DOCKET ____ SOAH Docket Nos. 582-97-0134 and 582-97-0175

III SOLEDAD STREET*

SUITE 300

SAN ANTONIO, TEXAS 78205

TELEPHONE (210) 212-5888

TELECOPIER (210) 2)2-5889

BY APPOINTMENT ONLY

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Applications of the Town of Westlake and Lake Turner Municipal Utility District Nos. 2 and 3 for Certificate of Convenience and Necessity (140300:1.2)

Dear Judge Broyles:

Pursuant to your Order of October 24, 1997, please consider this letter as the Status Report of the Town of Westlake concerning the abatement of proceedings in the above-referenced docket numbers. With this filing, Westlake respectfully requests that this matter be further abated for an additional six-monthperiod in order to allow the resolution of several pieces of litigation which will have a direct impact on the Town and its need for a Certificate of Convenience ("CCN") and Necessity for the retail water and sewer services it will afford within its corporate boundaries. The Town is currently involved in several civil cases which will have a direct bearing on the scope of these administrative matters.

State of Texas ex rel Dale White vs. Scott Bradley. This case involves the 1. improper removal from office of Westlake Mayor Scott Bradley. The trial judge granted a summary judgment for Mayor Bradley and held that he was improperly removed from office by the former Board of Aldermen and that he is and always has been the mayor of Westlake. The State appealed the judgment to the Fort Worth Court of Appeals, and it reversed and rendered the judgment of the trial court. Mayor Bradley filed a petition for review with the Supreme Court and it was granted on February 26, 1998. The Supreme Court has scheduled oral arguments in this matter in Waco on September 28, 1998.

Town of Westlake vs. City of Fort Worth and Hillwood Development 2. Corporation. This suit by Westlake challenges the disannexations and release of extraterritorial jurisdiction to Fort Worth of the Circle T Ranch and several other tracts of land in Westlake by the Town's former aldermen. On February 13, 1998,

SOAH DOCKET NOS. 582-97-0134 & 582-97-0175

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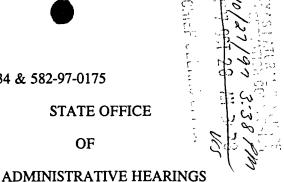
APPLICATIONS OF LAKE TURNER MUD NOS. 2 & 3 and TOWN OF WESTLAKE FOR CCN

STATE OFFICE

TNRCC

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OF



Docket 582-97-0134: ORDER NO. 2

Docket 582-97-0175: ORDER NO. 4

Granting Requests to Continue Abatement of Proceedings

On October 15, 1997, the Town of Westlake filed a status report requesting an abatement of the proceedings until February 1, 1998. Lake Turner Municipal Utility Districts Nos. 2 and 3 also filed a status report requesting that the proceedings be abated until February 1, 1998. Both parties cited pending litigation, that will have an impact on applications for certificates of convenience and necessity (CCN), as reason for their requests.

The City of Keller (City) filed a response stating that the matters pending before the courts effectively preclude the TNRCC from resolving the merits of the competing CCN applications. The City believes that because the amount of time required for full and final judicial determination is unknown, the interests of all may be best served by dismissal without prejudice.

No party is opposed to an abatement of the proceedings. The City's response offers an alternative but does not oppose an abatement. The ALJ agrees with City's contention that the amount of time necessary for resolution of matters before the district court is unknown. However, the ALJ is reluctant to grant a dismissal without agreement of the parties or sanctionable actions. In some cases, the date of filing an application may have an impact on the matter to be addressed (e.g. where the rules have changed since the filing of an application).

WHEREAS good cause for the abatement of proceedings has been shown, this cause is abated indefinitely. The parties are ordered to file a status report by May 1, 1998.

Signed this day of October, 1997.

BROYLES

ADMINISTRATIVE LAW JUDGE

LLOYD, GOSSELINK, BLEVINS & MATHEWS, P. C.

ATTORNEYS AT LAW

111 CONGRESS AVENUE SUITE 1800 AUSTIN, TEXAS 78701 TELEPHONE (512) 322-5800 TELECOPIER (512) 472-0532

Mr. Rochelle's Direct Line: (512) 322-5810

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HI SOLEDAD STREET SUITE 300 SAN ANTONIO, TEXAS 78205 TELEPHONE (210) 212-5888 BY APPOINTMENT ONLY

October 8, 1997

The Honorable Tommy Broyles State Office of Administrative Hearings 300 W. 15th Street, Suite 502 P.O. Box 13025 Austin, Texas 78711-3025 VIA FACSIMILE AND FIRST-CLASS MAIL

TNRCC

-96-1898-UCR

Re:

SOAH Docket No. 582-97-0175

Application of Town of Westlake for Certificate of Convenience and Necessity (140300:1.2)

Dear Judge Broyles:

I am in receipt of your Order No. 3 in the above-referenced matter, wherein you notice the parties of your intent to remand this matter to the Executive Director of the Texas Natural Resource Conservation Commission ("TNRCC") for further processing on October 17, 1997, absent objection of the parties to same. In that Order you note that in your Order No. 2 the parties were instructed to file a status report by October 1, 1997. Unfortunately, I never received Order No. 2, nor did any other representative of the Town of Westlake ("Westlake"), the applicant in the above-referenced case. For that matter, I only received Order No. 3 after I requested a copy be forwarded to me by Ms. Maria Sanchez, TNRCC Staff Attorney. I received your Order No. 3 by facsimile transmission yesterday afternoon.

I note that your service list for this matter does not include my name and address, nor those of any other representative of Westlake. Further, I note that your service list fails to contain the name and address of counsel to the Lake Turner Municipal Utility Districts No. 2 and No. 3, who have competing applications to those of Westlake. I trust you will remedy this error.

Please be assured that Westlake will be filing a formal response to your Order No. 3 on or before October 17, 1997. In the interim, please ensure that the

The Honorable Tommy Broyles October 8, 1997 Page 2

service lists associated with the applications of Westlake and the Lake Turner Municipal Utility Districts are amended to reflect counsel for each of those entities. Additionally, would you please have your office provide me a copy of Order No. 2?

Thank you for your attention to this matter. If you have questions concerning this request, or I may be of service to you, please feel free to call on me at your convenience.

Sincerely,

Noic Buch

Martin C. Rochelle

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cc: Mr. Scott Bradley Attached Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that on this the 8th day of October, 1997, a true and correct copy of the foregoing was sent by First Class mail, by facsimile, or by hand-delivery to the following persons.

Mr. Timothy G. Green Coats, Rose, Yale, Holm, Ryman & Lee 800 First City Tower 1001 Fannin Houston, Texas 77002-6707

Mr. Dwight A. Shupe Hughes & Luce, L.L.P. 1717 Main Street, Suite 2800 Dallas, Texas 75201

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October 15, 1997

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The Honorable Tommy Broyles State Office of Administrative Hearings 300 W. 15th Street, Suite 502 P.O. Box 13025 Austin, Texas 78711-3025

TNRCC DOCKET 96-1898-UCR

Re: <u>SOAH Docket No. 582-97-0175</u> Application of Town of Westlake for Certificate of Convenience and Necessity (140300:1.2)

Dear Judge Broyles:

Pursuant to your Order No. 3 of October 6, 1997, this letter will serve as the Status Report of the Town of Westlake ("Westlake") in the above-referenced matter. In its last Status Report to you, dated June 20, 1997, Westlake advised you of a number of lawsuits pending at that time in the trial courts of our state which involved Westlake and/or its duly elected officials, and which related to the purported disannexation of the vast majority of the land included within the Town. This litigation is still pending in the courts, and the resolution of such litigation will, to a significant extent, be determinative of whether Westlake pursues any Certificate of Convenience and Necessity ("CCN") from the Texas Natural Resource Conservation Commission ("TNRCC").

The Mayor of Westlake, the Honorable Scott Bradley, has advised me that a District Court in Tarrant County recently determined that the purported disannexation of lands within Westlake was not authorized, the position asserted by Mayor Bradley and Westlake's Board of Aldermen in that litigation. This ruling has been appealed, however, to the Fort Worth Court of Appeals. Motions for Summary Judgment are pending in this matter and are currently set for the Court of Appeals' consideration on December 5, 1997. While decisions on such motions may or may not finally resolve the issue of whether Westlake needs a CCN, it certainly appears to be appropriate to wait and see what the Fort Worth Court of Appeals does with regard to this litigation before remanding Westlake's application to the Executive Director of the TNRCC. In this regard, Westlake asserts that its

The Honorable Tommy Broyles October 15, 1997 Page 2

application, even if remanded to the Executive Director, would continue to be protested, and Westlake would continue to protest the applications of the Lake Turner Municipal Utility Districts for CCNs. Thus, we believe the Executive Director would have no option but to refer such matters back to the State Office of Administrative Hearings for processing. Given these facts, and the prospect that the pending litigation at the Court of Appeals will be resolved in the next few months, Westlake requests that you stay further actions on its application and on the applications of the Lake Turner Municipal Utility Districts until February 1, 1998. The parties may be in a better position by that date to assess their need for CCNs and/or the appropriateness of pursuing applications for CCNs through the contested case hearing process.

You have not yet responded to my letter of October 8, 1997, nor have I received a copy of your Order No. 2. Please ensure that I am on the service list utilized by your office so that my client and I are apprised of your decisions in these matters.

If you have questions concerning this Status Report, or I may be of further service to you or your office, please feel free to call on me at your convenience.

Sincerely,

100 Ckoul

Martin C. Rochelle

MCR/ldp L:\clients\1403\00\00005395.DOC

cc: Mr. Scott Bradley Attached Service List

CERTIFICATE OF SERVICE

I hereby certify that on this the 15th day of October, 1997, a true and correct copy of the foregoing was sent by First Class mail, by facsimile, or by hand-delivery to the following persons.

Mr. Timothy G. Green Coats, Rose, Yale, Holm, Ryman & Lee 800 First City Tower 1001 Fannin Houston, Texas 77002-6707

Mr. Dwight A. Shupe Hughes & Luce, L.L.P. 1717 Main Street, Suite 2800 Dallas, Texas 75201

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Martin C. Rochelle



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CIMEF CLERKS OFFICE Skip Newsom*

VIA FACSIMILE - (512) 475-4994

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The Honorable Tommy Broyles Administrative Daw Judge State Office of Administrative Hearings P.O. Box 13025 Austin, Texas 78711 3025

October 17, 1997

TNRCC DOCKET 96-1898-UCR

Re: SOAH Docket No. 582-97-0175; Application of Town of Westlake for CCN

Dear Judge Broyles:

The City of Keller, which holds Certificate of Convenience and Necessity (CCN) No. 10975, protested the above application as well as the competing applications of Lake Turner Municipal Utility Districts Nos. 2 and 3. The proceedings were abated at the applicants' request in order to allow a variety of matters in dispute between the two applicants to be mediated. The City of Keller did not participate in such mediation efforts, although it requested the opportunity to do so, insofar as the area of the applications which overlap the area currently certificated to the City of Keller became a subject of such efforts. Because the City of Keller did not participate in such mediation, it could not provide a status report thereon per your Order No. 2 and perceived that your request for a status report was directed at the two applicants, not the protestants.

It is the City of Keller's current understanding that mediation between the Town of Westlake (Westlake) and Lake Turner Municipal Utility Districts (Turner MUDs) was terminated and that a great number of lawsuits have been filed in which the City of Keller is not a party. It is the City of Keller's further understanding that one of the central issues in such litigation is the current legal authority of the Town of Westlake over all or part of the area to which both Westlake and the Turner MUDs seek certification. If this understanding is correct, it would not appear that the Texas Natural Resource Conservation Commission (TNRCC) has jurisdiction to resolve such legal issue. The pendency of such question before the Courts effectively precludes the TNRCC from resolving the merits of the competing CCN applications or the City of Keller's protest thereof. Hence, the only viable alternative that may be taken at this time appears to be either an indefinite abatement of the proceedings pending final judicial determination of Westlake's legal authority or dismissal of the applications. Because the amount of time required for full and final

*Board Certified, Administrative Law--Texas Board of Legal Specialization

The Honorable Tominy Broyles October 17, 1997 Page 2

judicial determination is unknown, the interests of all may be best served by dismissal. The City of Keller would not object to such dismissal being made without prejudice to the refiling of such applications after the legal authority of the parties is judicially resolved.

Yours very truly,

Skip Newsom

SN:ra

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cc: Lyle Dresher Service List

SERVICE LIST

Mr. Timothy G. Green Coats, Rose, Yale, Holm, Ryman & Lee 800 First City Tower 1001 Fannin Houston, Texas 77002-6707

Mr. Dwight A. Shupe Hughes & Luce, L.L.P. 1717 Main Street, Suite 2800 Dallas, Texas 75201

Mr. Lyle H. Dresher City Manager City of Keller P.O. Box 770 Keller, Texas 76248

Mr. Frank R. Booth Booth & Dillon NationsBank Tower, Suite 1212 515 Congress Avenue Austin, Texas 78701-3503

Mr. Robert G. West Michener, Larimore, Swindle, et al. 3500 City Center Tower II 301 Commerce Street Fort Worth, Texas 76102-4186

Mr. R.L. Guinn 3500 Lincoln Plaza 500 North Akard Street Dallas, Texas 75201

Mr. Tom Allen Maguire Thomas Partners 9 Village Circle, Suite 500 Westlake, Texas 76262 Lake Turner MUD Nos. 2 and No. 3

Hillwood/Willowbend, Ltd. Lake Turner MUD Nos. 2 and 3

City of Keller

Trophy Club MUD No. 1

Trophy Club MUD No. 1

Lake Turner MUD No. 1

Maguire Thomas Partners-Westlake Southlake Partnership Mr. Hal L. Sanders Strasburger & Price, L.L.P. 2600 One American Center 600 Congress Avenue Austin, Texas 78701

Å

Mr. Rick Frederick 624 Walnut Grove Roanoke, Texas 76262

Mr. Martin C. Rochelle Lloyd, Gosselink, Fowler, Blevins & Mathews, P.C. 111 Congress Avenue, Suite 1800 Austin, Texas 78701

Mr. Andrew Barrett McGinnis, Lochridge & Kilgore, L.L.P. 919 Congress Avenue, Suite 1300 Austin, Texas 78701

Maria Sanchez, Staff Attorney Legal Services Division MC-173 Texas Natural Resource Conservation Commission P.O. Box 13087 Austin, Texas 78711-3087

Blas J. Coy, Jr., Attorney Public Interest Counsel MC-103 Texas Natural Resource Conservation Commission P.O. Box 13087 Austin, Texas 78711-3087

Stan Oestrick, TNRCC Docket Clerk V Office of the Chief Clerk MC-105 Texas Natural Resource Conservation Commission P.O. Box 13087 Austin, Texas 78711-3087

Maguire Thomas Partners-Westlake Southlake Partnership and MTB-IBM Phase II/III Joint Venture

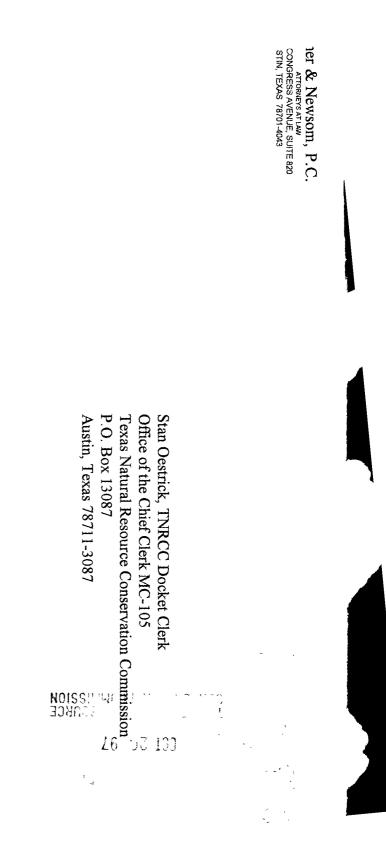
Walnut Grove Water System (not protest; request for notice of hearing)

Town of Westlake

Lake Turner MUD Nos. 2 and 3







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State Office of Administrative Hearings



Shelia Bailey Taylor Chief Administrative Law Judge

October 15, 1997

To: To All Parties

Re: Town of Westlake and Lake Turner Municipal Utility Districts No. 2 and No. 3; SOAH Docket No. 582-97-0175

The Town of Westlake has requested that this proceeding be abated until February 1, 1998. If no objection is received by October 22, 1997, this request will be granted.

I apologize for the confusion caused by the inaccurate mailing list. Because we have two separate files, two mailing lists were prepared. Unfortunately, only one mailing list was updated while the other was mistakenly used. If any party does not have copies of Orders 1-3, please contact Kelley Wood at 475-4993.

Sincerely,

TE CLEWS GFIC

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Tommy Broyles Administrative Law Judge

/klw

cc: Mailing List

MAILING LIST Application of the Town of Westlake SOAH Docket No. 582-97-0175

Mr. Timothy G. Green Coats, Rose, Yale, Holm, Ryman & Lee 800 First City Tower 1001 Fannin Houston, Texas 77002-6707

Mr. Dwight A. Shupe Hughs & Luce, L.L.P. 1717 Main Street, Suite 2800 Dallas, Texas 75201

Mr. Lyle H. Drescher City Manager City of Keller 158 S. Main Keller, Texas 76248

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Mr. Skip Newson Fisher & Newson, P. C. 111 Congress Avenue, Suite 820 Austin, Texas 78701-4043

Mr. Frank R. Booth Booth & Dillon Nations Bank Tower, Suite 1212 515 Congress Avenue Austin, Texas 78701-3503

Mr. Robert G. West Michener, Larimore, Swindle, et al. 3500 City Center Tower II 301 Commerce Street Fort Worth, Texas 76102-4186

Mr. R. L. Guinn 3500 Lincoln Plaza 500 North Akard Street Dallas, Texas 75201 Mailing List (continue Town of Westlake

¥

Mr. Tom Allen Maguire Thomas Partners 9 Village Circle, Suite 500 Westlake, Texas 76262

Mr. Hal L. Sanders Strasburger & Price, L. L. P. 2600 One American Center 600 Congress Avenue Austin, Texas 78701

Mr. Rick Frederick 624 Walnut Grove Roanoke, Texas 76262

Maria Sanchez, Staff Attorney Legal Services Division MC-173 TNRCC P. O. Box 13087 Austin, Texas 78711-3087

Blas J. Coy, Jr., Attorney Public Interest Counsel MC-103 TNRCC P. O. Box 13087 Austin, Texas 78711-3087

Martin Rochelle, Attorney Lloyd, Gosselink, Blevins & Mathews, P.C. 111 Congress Ave, Ste 1800 Austin Tx 78701

Mr. Andrew N. Barrett McGinnis, Lochridge & Kilgore, L.L.P. 1300 Capitol Center 919 Congress Avenue Austin Texas 78701 Mailing List (continue) Town of Westlake

¥

Stan Oestrick, TNRCC Docket Clerk Office of the Chief Clerk MC-105 TNRCC
P. O. Box 13087 Austin, Texas 78711-3087 1997 JUL - 3 PM 2: 54 CHIEF CLERKS OFFICE

STRASBURGER & PRICE, L.L.P.

ATTORNEYS AND COUNSELORS

2600 ONE AMERICAN CENTER 600 CONGRESS AVENUE AUSTIN, TEXAS 78701-3248 (512) 499-3600

TELECOPIER (512) 499-3660

HAL L. SANDERS, JR. (512) 499-3646

Å

July 3, 1997

DALLAS SUITE 4300 901 MAIN STREET DALLAS, TEXAS 75202 (214) 651-4300

HOUSTON

SUITE 2800 1221 MCKINNEY STREET HOUSTON, TEXAS 77010 (713) 951-5600

MEXICO CITY EDIFICIO HEWLETT-PACKARD MONTE PELVOUX NO III, PISO 5 LOMAS DE CHAPULTEPEC HOGO MEXICO D F, MEXICO O II-525-202-8796

Stan Oestrick, Docket Clerk Office of the Chief Clerk MC-105 Texas Natural Resource Conservation Commission P.O. Box 13087 Austin, Texas 78711-3087

TNRCC DOCKET 96-1898-UCR 96-1901-UCR

RE: Applications of the Town of Westlake and Lake Turner Municipal Utility Districts No. 2 and No. 3 for Certificates of Convenience and Necessity - SOAH Docket Numbers 582-97-0175 and 582-97-0134

Dear Mr. Oestrick:

Please file in the records of the Commission this Notice of Substitution of Counsel whereby Hal L. Sanders of the firm of Strasburger & Price, L.L.P., 2600 One American Center, 600 Congress Avenue, Austin, Texas 78701 is substituted as lead counsel of record for Protestants Maguire Thomas Partners-Westlake Southlake Partnership and MTP-IBM Phase II/III Joint Venture in place of John J. Carlton of Strasburger & Price, L.L.P., 2600 One American Center, 600 Congress Avenue, Austin, Texas 78701. By copy hereof, I am advising all counsel of record of this change of counsel.

Thank you.

Sincerely,

Hal R. Sanders

Hal L. Sanders

Enclosure cc: Service List

SOAH DOCKET NO. 582-97-0175 TNRCC DOCKET NOS. 96-1897-UCR AND 96-1898-UCR

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CHIEF CLEFE & GRENCE

APPLICATION OF THE

OF

STATE OFFICE

TOWN OF WESTLAKE

FOR WATER CCN

ADMINISTRATIVE HEARINGS

ORDER NO. 11 GRANTING REQUEST TO ABATE

On February 28, 2000, the Town of Westlake filed a request to abate the discovery and hearing in this matter to allow the parties additional time to explore a settlement. No party opposes the request.

The motion is granted. The following prehearing and hearing schedule is adopted:

April 4, 2000	discovery served
May 1, 2000	responses served
May 22, 2000	depositions conclude
June 15 and 16, 2000	hearing on the merits

The hearing will begin at 9:00 a.m. in the SOAH hearing rooms, located at the Stephen F. Austin Building, 1700 North Congress Avenue, 11th Floor, Austin, Texas.

Signed March 1, 2000.

Willier & Nevel

WILLIAM G. NEWCHURCH ADMINISTRATIVE LAW JUDGE

L:\GROUPS\ISSUED\582\97-0175\Order No. 11.wpd

MAILING LIST Application of the Town of Westlake SOAH Docket No. 582-97-0175

Martin Rochelle, Attorney Lloyd, Gosselink, Blevins, Rochelle, Baldwin & Townsend, P.C. 111 Congress Ave, Ste 1800 Austin Tx 78701

Mr. Skip Newsom Fisher & Newsom, P.C. 111 Congress Ave., Ste. 820 Austin, Texas 78701-4043

Hal Sanders Strasburger & Price, L.L.P. 2600 One American Center 600 Congress Avenue Austin, Texas 78701

Mr. Frank R. Booth Mr. Mike Booth Booth, Ahrens & Werkenthin, P.C. Nations Bank Tower, Suite 1212 515 Congress Avenue Austin, Texas 78701-3503

Lara Nehman, Staff Attorney Legal Services Division MC-173 Texas Natural Resouce Conservation Commission - MC - 173 P. O. Box 13087 Austin, Texas 78711-3087

Blas J. Coy, Jr., Attorney
Public Interest Counsel
Texas Natural Resource Conservation Commission - MC - 103
P. O. Box 13087
Austin, Texas 78711-3087

William G. Newchurch Administrative Law Judge State Office of Administrative Hearings 300 W. 15th St., Suite 502 Austin, Texas 78711-3025

Attn: Docket Clerk Office of the Chief Clerk MC-105 TNRCC P. O. Box 13087 Austin, Texas 78711-3087 Representing: City of Keller

Representing: Town of Westlake

Representing: Maguire Thomas Partners

Representing: Trophy Club

Representing: Executive Director of the Texas Natural Resource Conservation Commission

Representing: the Office of the Public Interest Counsel of the Texas Natural Resource Conservation Commission



Y. U1/U4

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FISHER & NEWSOM, P.C. ATTORNEYS AT LAW 111 CONGRESS AVENUE, SUITE 820 AUSTIN, TEXAS 78701-4043 (512) 477-4121 FAX (512) 477-4136

Las Colinas Office: 4201 Wingren, Suite 106 Irving, Texas 75062 (972) 281-5820 FAX (972) 650-7105

FACSIMILE TRANSMITTAL

- Martin Rochelle 512-472-0532 TO: Stan Lowry 972-650-7105 Mike Booth 512-473-2609 Hal L. Sanders 214-651-4330 Ms. Lara Nehman (MC 173) 512-239-0606 Mr. Blas J. Coy, Jr. (MC 103) 512-239-6377 Office of Chief Clerk MC 105 512-239-3311 Docket Clerk 512-239-3311
- 2-28-2000 DATE:
- Skip Newsom FROM:
- Keller CCN SUBJECT:

Number of pages (including this cover sheet): 4

Disregard First Jax Message:

CONFIDENTIALITY NOTICE

The information contained in this facsimile transmittal and the motters transmitted hereby are confidential and/or privileged and are intended to be reviewed initially only by the individual named below. If the reader of this facsimile transmittal is not the intended recipient or a representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this facsimile transmittal, the information contained herein or the matters transmitted hereby is prohibited. If you have received this facsimile transmittal in error, please notify the sender by telephone immediately and return this facsimile transmittal and all matters transmitted hereby to the sender at the above address. Thank you.

IF TRANSMISSION ERROR OCCURS, PLEASE CALL (512) 477-4121

Fisher & Newsom, P.C.

111 Congress Avenue, Suite 820 Austin, Texas 78701-4043 (512) 477-4121 FAX (512) 477-2860 Las Colinas Office; 4201 Wingren, Suite 106 Irving, Texas 75062 (972) 281-5820 FAX: (972) 650-1057

Skip Newsom*

February 28, 2000

The Honorable William G. Newchurch Administrative Law Judge State Office of Administrative Hearings Suite 502 300 W. 15th Street P.O. Box 13025 Austin, Texas 78711-3025

HIEF OLET & CATIO

RE: Application of Town of Westlake for Certificate of Convenience and Necessity: SOAH Docket No. 582-97-0175 96 - 1898 - UCIL

Dear Judge Newchurch:

The City of Keller has no objection to the continuance and rescheduling dates requested by Martin Rochelle's letter of this date. The consultant's report engaged by the two municipal parties to assist settlement in this proceeding was not finalized until recently and the parties are currently engaged in serious discussions towards a negotiated resolution. Accordingly, the City of Keller supports the continuance.

Yours very truly,

Skip Newsom

Skip Hewsen

SN/keg cc: Lyle Dresher Attached Service List

*Board Certified, Administrative Law--Texas Board of Legal Specialization





P. 03/04

SOAH Docket No. 582-97-0175 Town of Westlake Application for Water and Sewer CCN

Scrvice List

Martin Rochelle Lloyd, Gosselink, Blevins, Rochelle, Baldwin & Townsend, P.C. P.O. Box 1725 Austin, Texas 78767 (512) 472-0532

Stan Lowry Boyle, Lowry, L.L.P. 4201 Wingren, Suite 108 Irving, Texas 75062-2763 Fax (972) 650-7105

Mr. Mike Booth Booth, Ahrens & Werkenthin Suite 1515 515 Congress Avenue Austin, Texas 78701 (512) 473-2609

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P. 04/04

Mr. Blas J. Coy, Jr. Public Interest Counsel MC-103 TNRCC P.O. Box 13087 Austin, Texas 78711-3087 (512) 239-6377

Office of the Chief Clerk MC-105 TNRCC P.O. Box 13087 Austin, Texas 78711-3087 (512) 239-3311

Docket Clerk State Office of Administrative Hearings Austin, Texas 78711-3025 300 W. 15th Street, Suite 502 (512) 239-3311 LLOYD, GOSSELINK, BLEVINS, ROCHELLE,

BALDWIN & TOWNSEND, P. C.

ATTORNEYS AT LAW

III CONGRESS AVENUE, SUITE 1800
 AUSTIN, TEXAS 78701
 TELEPHONE (512) 322-5800
 TELECOPIER (512) 472-0532

Mr. Rochelle's Direct Line: (512) 322-5810

mrochelle@lglawfirm.com

February 28, 2000

807 SOUTH AUSTIN AVENUE* GEORGETOWN, TEXAS 78626 TELEPHONE (512) 930-1317 *BY APPOINTMENT ONLY

VIA HAND DELIVERY

e. 3

The Honorable William G. Newchurch Administrative Law Judge State Office of Administrative Hearings Suite 502 300 W. 15th Street P.O. Box 13025 Austin, Texas 78711-3025

> Re: Application of Town of Westlake for Certificate of Convenience and Necessity: SOAH Docket No. 582-97-0175 (Water CCN) (140300:1.2) 96-1898-000

Dear Judge Newchurch:

As you know, in the above-referenced matter, the City of Keller ("Keller") has protested the application of my client, the Town of Westlake ("Westlake") for a water certificate of convenience and necessity ("CCN"). The City Managers of Keller and Westlake have been discussing the terms of a settlement agreement, which, if successfully achieved, could result in Keller's withdrawal of its protest of Westlake's CCN application. The cities have engaged the services of a third-party consultant to assist in the resolution of various settlement issues. This consultant's report was completed and delivered to Keller and Westlake a couple of weeks ago. Following completion of the consultant's analysis, the city managers of Keller and Westlake met with the consultant to discuss various aspects of his As I understand it, the city managers are in the process of further report. evaluating the report and their respective positions concerning a possible acquisition by Westlake of water system infrastructure currently owned and operated by Keller. Thereafter, the city managers will need to consult with their respective governing bodies in order to reach a final determination as to possible settlement of this CCN dispute.

Based on these ongoing negotiations, Westlake believes that a continuance of the discovery and hearing schedule in the above-referenced docket is appropriate, given the costs associated with discovery and hearing, and the real possibility of settlement and resolution of this matter. Therefore, please consider The Honorable William G. Newchurch February 28, 2000 Page 2

this letter as the formal request of Westlake to abate the discovery and hearing in the above-referenced matter. Westlake would propose that: the deadline for delivery of discovery requests be continued from March 1, 2000 to April 4, 2000; the deadline for responses to discovery be continued from March 31, 2000 to May 1, 2000; the deadline for completing depositions be continued from April 21, 2000 to May 22, 2000; and, that the evidentiary hearing be continued from May 8, 2000 to June 15 and 16, 2000. I have discussed these dates with counsel for the City of Keller, and he has tentatively agreed to them, but I do not know if he or his client fully support this motion for continuance.

Westlake believes the continuance of this proceeding as proposed will enable the full exploration of the settlement options available to the parties, and that settlement of our dispute with Keller is likely if additional time is provided outside of the context of contested case hearing proceedings. Further, this proposed abatement will ensure that the parties spend their efforts in resolving the issues between them instead of pursuing discovery and hearing preparation that is both costly and does not serve to facilitate settlement discussions.

I hereby certify that by copy of this letter I am providing notice of this request to the parties of record in the above-referenced docket. Inasmuch as the March 1, 2000 deadline for discovery is fast approaching, I would appreciate your prompt response to this request for a continuance of these proceedings.

Sincerely,

Martin C. Rochelle

MCR/ldp 1403\00\ltr000228mcr1

cc: Mayor Scott Bradley Mr. Trent Petty Mr. Stan Lowry Mr. Larry Fuson, P.E. Attached Mailing List

MAILING LIST

Mr. Skip Newsom Fisher & Newsom, P.C. 111 Congress Avenue Suite 820 Austin, Texas 78701-4043

Mr. Mike Booth Booth, Ahrens & Werkenthin Suite 1515 515 Congress Avenue Austin, Texas 78701

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Ms. Lara Nehman (MC 173) Staff Attorney TNRCC P.O. Box 13087 Austin, Texas 78711-3087

Mr. Blas J. Coy, Jr. Public Interest Counsel MC-103 TNRCC P.O. Box 13087 Austin, Texas 78711-3087

Office of the Chief Clerk MC-105 TNRCC P.O. Box 13087 Austin, Texas 78711-3087

Docket Clerk State Office of Administrative Hearings 300 W. 15th Street, Suite 502 Austin, Texas 78711-3025

LA 001/004

96-1898-ucn

CHIEF OF LINKS

OFFICE

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LLOYD, GOSSELINK, BLEVINS, ROCHELLE, BALDWIN & TOWNSEND, P.C.

Austin - Georgetown P.O. Box 1725 Austin, Texas 78767 Telephone: (512) 322-5800 Facsimile: (512) 472-0532

TELECOPIER COVER SHEET

February 28, 2000

239-3300

PLEASE DELIVER THE FOLLOWING PAGES TO:

NAME: Chief Clerk's Office

FIRM: TNRCC

TELECOPY PHONE NUMBER: 239-3311 239-5533

VERIFICATION PHONE NUMBER:

CLIENT NUMBER: 140300

FROM: Martin C. Rochelle

NUMBER OF PAGES: <u>3</u> + Cover Sheet

COMMENTS:

IF YOU DO NOT RECEIVE ALL PAGES, PLEASE CALL US AS SOON AS POSSIBLE AT (512) 322-5800. THE INFORMATION CONTAINED IN THIS FACSIMILE MESSAGE IS ATTORNEY PRIVILEGED AND CONFIDENTIAL INFORMATION INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY NAMED ABOVE. THE REVIEW, DISSEMINATION, DISTRIBUTION OR COPYING OF THIS COMMUNICATION TO ANYONE OTHER THAN THE INTENDED ADDRESSEE IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE IMMEDIATELY NOTIFY US BY TELEPHONE, AND RETURN THE ORIGINAL MESSAGE TO US AT THE ABOVE ADDRESS VIA THE U.S. POSTAL SERVICE. THANK YOU. 02/28/00 14:03 FAX 512 472 0532

LLOYD GOSSELLINK EI AL

LLOYD, GOSSELINK. BLEVINS. ROCHELLE,

BALDWIN & TOWNSEND, P. C.

ATTORNEYS AT LAW

111 CONGREGS AVENUE, SUITE 1800 AUSTIN, TEXAS 78701 TELEPHONG (512) 322-5800 TELECOPIER (512) 472-0532 Mr. Rochelle's Direct Line: (512) 322-5810

mrochelle@lglawfirm.com

BOT SOUTH AUSTIN AVENUE GEORGETOWN, TEXAS 78626 TELEPHONE (512) 930-1317 "BT APPOINTMENT ONLY

February 28, 2000

VIA HAND DELIVERY

The Honorable William G. Newchurch Administrative Law Judge State Office of Administrative Hearings Suite 502 300 W. 15th Street P.O. Box 13025 Austin, Texas 78711-3025

- of Convenience
- Re: Application of Town of Westlake for Certificate of Convenience and Necessity: SOAH Docket No. 582-97-0175 (Water CCN) (140300:1.2)

Dear Judge Newchurch:

As you know, in the above-referenced matter, the City of Keller ("Keller") has protested the application of my client, the Town of Westlake ("Westlake") for a water certificate of convenience and necessity ("CCN"). The City Managers of Keller and Westlake have been discussing the terms of a settlement agreement, which, if successfully achieved, could result in Keller's withdrawal of its protest of Westlake's CCN application. The cities have engaged the services of a third-party consultant to assist in the resolution of various settlement issues. This consultant's report was completed and delivered to Keller and Westlake a couple of weeks ago. Following completion of the consultant's analysis, the city managers of Keller and Westlake met with the consultant to discuss various aspects of his As I understand it, the city managers are in the process of further report. evaluating the report and their respective positions concerning a possible acquisition by Westlake of water system infrastructure currently owned and operated by Keller. Thereafter, the city managers will need to consult with their respective governing bodies in order to reach a final determination as to possible settlement of this CCN dispute.

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12 003/004

The Honorable William G. Newchurch February 28, 2000 Page 2

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Westlake believes the continuance of this proceeding as proposed will enable the full exploration of the settlement options available to the parties, and that settlement of our dispute with Keller is likely if additional time is provided outside of the context of contested case hearing proceedings. Further, this proposed abatement will ensure that the parties spend their efforts in resolving the issues between them instead of pursuing discovery and hearing preparation that is both costly and does not serve to facilitate settlement discussions.

I hereby certify that by copy of this letter I am providing notice of this request to the parties of record in the above-referenced docket. Inasmuch as the March 1, 2000 deadline for discovery is fast approaching, I would appreciate your prompt response to this request for a continuance of these proceedings.

Sincerely,

Martin C. Rochelle

MCR/Idp 1403\00\ltr000228mcr1

cc: Mayor Scott Bradley Mr. Trent Petty Mr. Stan Lowry Mr. Larry Fuson, P.E. Attached Mailing List 1 1

MAILING LIST

Mr. Skip Newsom Fisher & Newsorn, P.C. 111 Congress Avenue Suite 820 Austin, Texas 78701-4043

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Ms. Lara Nehman (MC 173) Staff Attorney TNRCC P.O. Box 13087 Austin, Texas 78711-3087

Mr. Blas J. Coy, Jr. Public Interest Counsel MC-103 TNRCC P.O. Box 13087 Austin, Texas 78711-3087

Office of the Chief Clerk MC-105 TNRCC P.O. Box 13087 Austin, Texas 78711-3087

Docket Clerk State Office of Administrative Hearings 300 W. 15th Street, Suite 502 Austin, Texas 78711-3025

To-TNRCC / CHIEF CLERK

Page 004



SOAH DOCKET NO. 582-97-0134 TNRCC DOCKET NOS. 96-1902-UCR, 96-1904-UCR, and 96-1898-UCR

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APPLICATIONS OF CIRCLE T MUD NOS. 2 & 3 (FORMERLY LAKE TURNER MUDS) AND THE TOWN OF WESTLAKE FOR SEWER CCNs CHIEF C CISTATE OFFICE

OF

ADMINISTRATIVE HEARINGS

ORDER NO. 10 DISMISSING CASE AND REMANDING APPLICATIONS TO THE EXECUTIVE DIRECTOR

On December 28, 1999, Circle T Municipal Utility District No. 3 (Circle T MUD 3) filed a letter indicating that it wished to withdraw its certificate of convenience and necessity (CCN) application, No. 31352-C, in this case. Similarly, on January 10, 2000, Circle T MUD No. 2 filed a letter stating that it wished to withdraw its sewer CCN application, no. 31350-C. At the scheduled hearing on January 10, 2000, both MUDs clarified that they were moving to withdraw their applications without prejudice to refiling.

By letters on January 10, 11, and 12, 2000, the Executive Director (ED), the Office of Public Interest Counsel (OPIC), and the Town of Westlake (Westlake) agreed to the withdrawal of Circle T MUDs 2's and 3's applications without prejudice. In accord with 30 TAC § 80.25, therefore, Circle T MUDs 2's and 3's applications are remanded to the ED for dismissal without prejudice to refiling.

All parties now support approval of Westlake's application, no. 31253-C, for a sewer CCN. Westlake's application is remanded to the ED for uncontested administrative approval.

This case is dismissed from SOAH's docket.

Issued January 14, 2000.

Within G. newshand

William G. Newchurch Administrative Law Judge

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