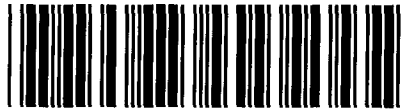




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QUADVEST, L.P.'S NOTICE OF INTENT TO SERVE AREA DECERTIFIED FROM HMW SPECIAL UTILITY DISTRICT IN MONTGOMERY COUNTY. § § § § §

PUBLIC UTILITY COMMISSION OF TEXAS FILING CLERK

ORDER

This Order addresses Quadvest, L.P.'s notice of intent to provide water service to an area decertified from HMW Special Utility District's water certificate of convenience (CCN) No. 10342 in Montgomery County. Quadvest and HMW filed an agreement which provides compensation for the property rendered useless or valueless as a result of the decertification. The agreement between Quadvest and HMW is approved.

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

I. Findings of Fact

Procedural History

- 1. On July 6, 2016, Quadvest filed a notice of intent to provide retail water service to the property decertified under Docket No. 45662.1
2. On July 26, 2016, Quadvest filed the affidavit of Douglas S. Miller, President of HMW, affirming that HMW was adequately compensated for the property rendered useless or valueless as a result of the decertification of real property owned by LGI Homes from CCN No. 10342.2
3. There is no other property that is useless or valueless regarding Docket No. 45662.
4. Quadvest did not in any way render retail water service directly or indirectly to the public in the decertified area prior to providing compensation.

1 Petition by LGI Homes to Amend HMW Special Utility District's Certificate of Convenience and Necessity in Montgomery County by Expedited Release, Docket No. 45662, Notice of Approval (May 17, 2016).

2 Quadvest, L.P.'s Notice Regarding Confirmation of Compensation at Exhibit A (Jul. 26, 2016).

12

5. On September 22, 2016, the Commission provided notice to the public of Quadvest's notice of intent in the *Texas Register* for publication on September 23, 2016.
6. The monetary amount of compensation was made at the time Quadvest sought to provide water service to the decertified area.
7. The agreement between Quadvest and HMW regarding compensation for the property rendered useless or valueless as a result of the decertification is reasonable.

Evidence

8. On October 11, 2016, Order No. 2 was issued admitting evidence into the record of this proceeding.

II. Conclusions of Law

1. Quadvest and HMW are public utilities as defined in Tex. Water Code. Ann. § 13.002(19) (West 2008 and Supp. 2016) (TWC).
2. The Commission has jurisdiction and authority over this docket under TWC §§ 13.041 and 13.254(d)-(e) and 16 Tex. Admin. Code § 24.113 (TAC).
3. In accordance with TWC § 13.254(d), Quadvest did not in any way render retail water service directly, or indirectly to the public in the decertified area prior to providing compensation.
4. In accordance with TWC § 13.254(e), the amount of compensation was determined at the time Quadvest sought to provide service to the decertified area and before service is to be provided.
5. The requirements for informal disposition under 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 orders:

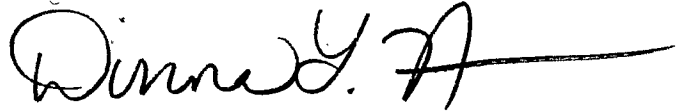
1. The agreement between Quadvest and HMW regarding compensation for the property rendered useless or valueless as a result of the decertification in Docket No. 45662 is

approved. Quadvest does not owe any further compensation to HMW and may provide retail water service to the property.

- 2. 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 14th day of November 2016.

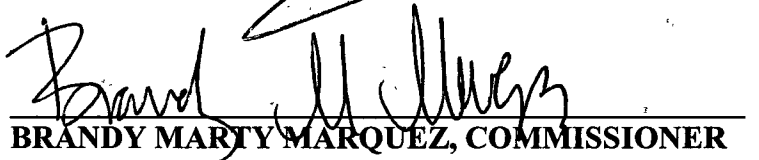
PUBLIC UTILITY COMMISSION OF TEXAS



DONNA L. NELSON, CHAIRMAN



KENNETH W. ANDERSON, JR., COMMISSIONER



BRANDY MARTY MARQUEZ, COMMISSIONER