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DOCKET NO. 46451

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APPLICATION OF THE CITY OF  
ROYSE CITY TO AMEND ITS WATER  
AND SEWER CERTIFICATES OF  
CONVENIENCE AND NECESSITY  
(CCN) AND CANCEL VERANDAH  
MUNICIPAL UTILITY DISTRICT'S  
CCNS IN HUNT AND ROCKWALL  
COUNTIES

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PUBLIC UTILITY COMMISSION

OF TEXAS

UTILITY COMMISSION  
FILING CLERK

### NOTICE OF APPROVAL

This Notice addresses the City of Royse City's application to amend its water and sewer certificates of convenience and necessity (CCNs) and to cancel Verandah Municipal Utility District's water and sewer CCNs in Hunt and Rockwall Counties. 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

1. On October 18, 2016, Royse City filed an application to amend its water and sewer CCN Nos. 12827 and 20813 and to amend/decertify a portion of Verandah's water and sewer CCN Nos. 13101 and 20958 in Hunt and Rockwall Counties.<sup>1</sup>
2. Royse City seeks to add approximately 162 acres with zero current customers to the City's water and sewer CCNs.<sup>2</sup>
3. An unsigned copy of a Development Agreement to which Royse City and Verandah were parties was attached to the application, and states that Royse City will be the retail water

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<sup>1</sup> Application of the City of Royse City to Amend its Water and Sewer Certificates of Convenience and Necessity (CCB) and Cancel Verandah Municipal Utility District's CCNs in Hunt and Rockwall Counties at 2 (Oct. 18, 2016) (Application).

<sup>2</sup> *Id.* at 15.

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and sewer service provided in the requested area, which is currently within Verandah's certificated service area, but will be released or de-annexed by the District.<sup>3</sup>

4. The application states that the requested service area has been de-annexed from Verandah and annexed into the City.<sup>4</sup>
5. On November 18, 2017, Commission Staff recommended that the application be deemed administratively complete, clarified that Royse City seeks to have Verandah's CCNs canceled, not amended, and requested that the docket be restyled.
6. On November 21, 2016, Order No. 2 was issued, deeming the application administratively complete, restyling the docket to reflect that cancellation of Verandah's CCNs is requested, and instructing Royse City to provide notice of the application.
7. On February 2, 2017, Royse City filed affidavits from the city attorney for Royse City and the general counsel for Verandah attesting to the execution of the Development Agreement.
8. On February 10, 2017, Order No. 5 was issued, deeming the notice provided by Royse City sufficient and complete and adopting a procedural schedule for the remainder of the proceeding.
9. On April 7, 2017, Royse City filed a signed consent to the proposed water and sewer service area maps and certificates, as prepared by Commission Staff.
10. On May 11, 2017, Commission Staff recommended approval of the application and provided copies of proposed revised water and sewer maps and certificates for Royse City.
11. The maps and certificates referenced in finding of fact numbers 10 and 11 are attached to this Notice.
12. On May 11, 2017, Commission Staff filed a joint proposed notice of approval and a request to admit certain evidence in this proceeding.
13. On May 18, 2017, Order No. 6 was issued, admitting the requested evidence into the

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<sup>3</sup> *Id.*, Attachment 2.B. at 1

<sup>4</sup> *Id.* at 9.

record in this proceeding.

**Notice**

14. Notice of the application was published in the *Texas Register* on November 4, 2016.
15. On January 30, 2017, Royse City filed proof that notice of the application was published in the the *Royse City Herald-Banner* on January 11 and 18, 2017.
16. On February 1, 2017, Royse City filed proof of mailed notice to all customers, neighboring utilities, and governmental entities on January 4, 2017.

**Informal Disposition**

17. More than 15 days have passed since completion of notice in this application.
18. Royse City and Commission Staff are the only parties to this proceeding.
19. There are no contested issues, no protests, no motions to intervene, and no requests for a hearing in this application; therefore, no hearing is necessary.

**II. Conclusions of Law**

1. The Commission has jurisdiction over these matters pursuant to Tex. Water Code §§ 13.041, 13.241, 13.246, and 13.254 (TWC).
2. Royse City is a retail public utility as defined in TWC § 13.002(19) and 16 Texas Administrative Code § 24.3(59) (TAC).
3. Public notice of this application was provided in compliance with TWC § 13.246 and 16 TAC § 24.106.
4. 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.
5. Veranda consented to the cancellation of its water and sewer certificates, as required by TWC § 13.254(a).
6. After considering the factors in TWC § 13.246(c), Royse City is entitled to approval of the application, having demonstrated adequate financial, managerial, and technical capability for providing continuous and adequate service to the requested area, as required by TWC § 13.241(a).

7. Approval of the certificate amendments and certificate cancellations requested in this application are necessary for the service, accommodation, convenience, or safety of the public, as required by TWC § 13.246(b) and 16 TAC § 24102(c).
8. Under TWC § 13.257(r) and 16 TAC § 24.106(e), Royse City is required to record a certified copy of the approved CCNs 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.

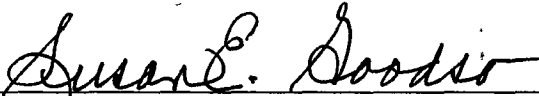
## II. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following order:

1. The application, as amended is approved.
2. Royse City's water and sewer CCN Nos. 12827 and 20813 are amended consistent with this Notice.
3. Royse City shall serve every customer and applicant for service within the area certificated under CCN Nos. 12827 and 20813, and such service shall be continuous and adequate.
4. Royse City shall comply with the recording requirements in TWC § 13.257 for the area in Hunt and Rockwall Counties affected by the application and submit to the Commission evidence of the recording no later than 31 days after receipt of this notice.
5. Verandah's water and sewer CCN Nos. 13101 and 20958 are cancelled.
6. All other motions, requests for entry of specific findings of fact and conclusions of law, and any other requests for general or specific relief, if not expressly granted herein, are denied.

Signed at Austin, Texas on the 18<sup>th</sup> day of May 2017.

**PUBLIC UTILITY COMMISSION OF TEXAS**

  
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**SUSAN 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 Royse City**

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, City of Royse City is entitled to and is hereby granted this

## **Certificate of Convenience and Necessity No. 13255**

to provide continuous and adequate water utility service to that service area or those service areas in Collin, Hunt and Rockwall Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 46451 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 Royse City 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 18<sup>th</sup> day of May 2017.



# Public Utility Commission of Texas

By These Presents Be It Known To All That

## City of Royse City

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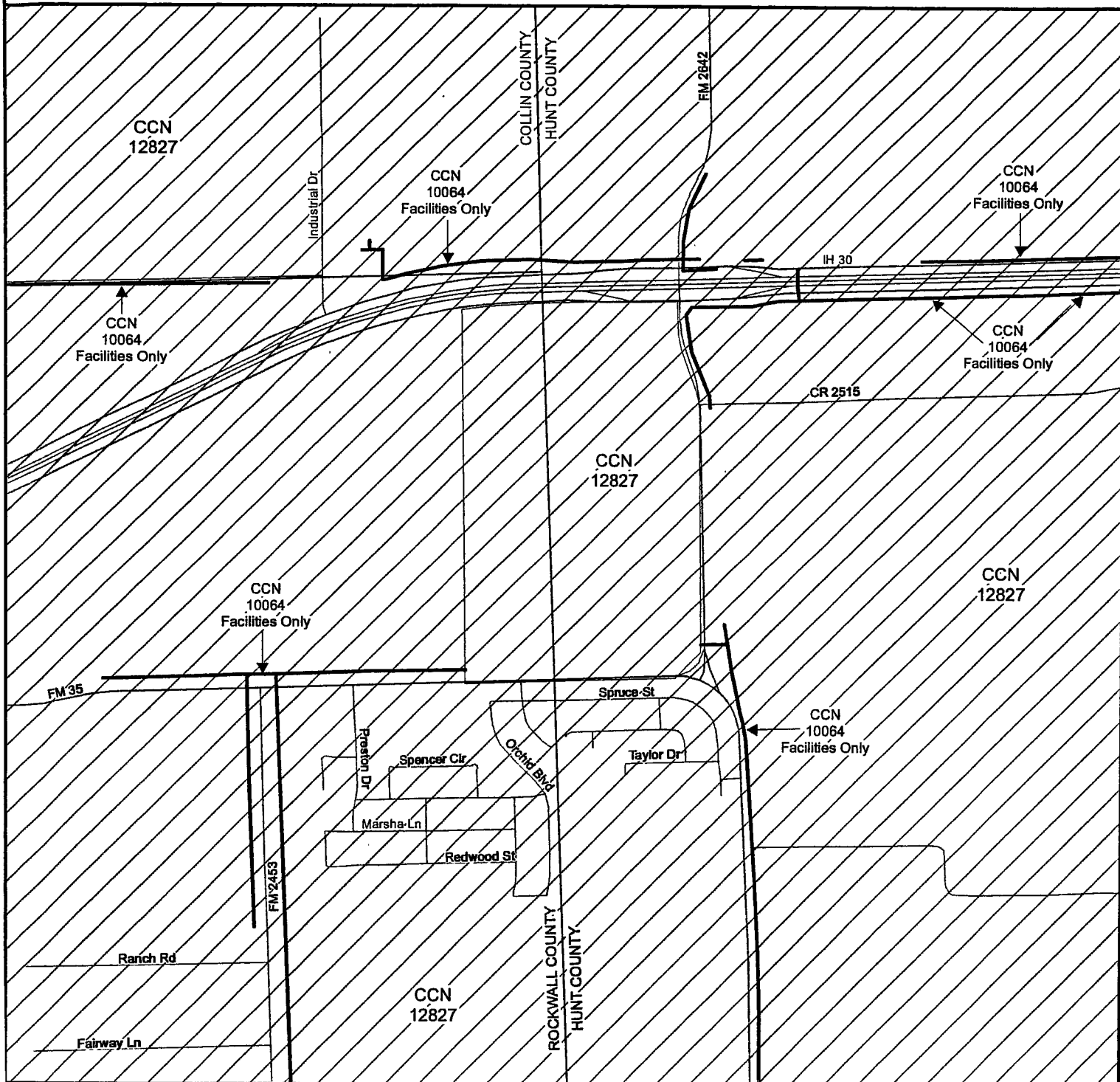
### Certificate of Convenience and Necessity No. 20813

to provide continuous and adequate water utility service to that service area or those service areas in Collin, Hunt and Rockwall Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 46451 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 Royse City 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 18<sup>th</sup> day of May 2017.




**City of Royse City**  
**Water CCN No. 12827**  
**PUC Docket No. 46451**  
**Amended CCN No. 12827 and Cancelled Verandah MUD, CCN No. 13101 in Hunt & Rockwall Counties**



**Water CCN**

 12827 - City of Royse City

**Facilities Only**

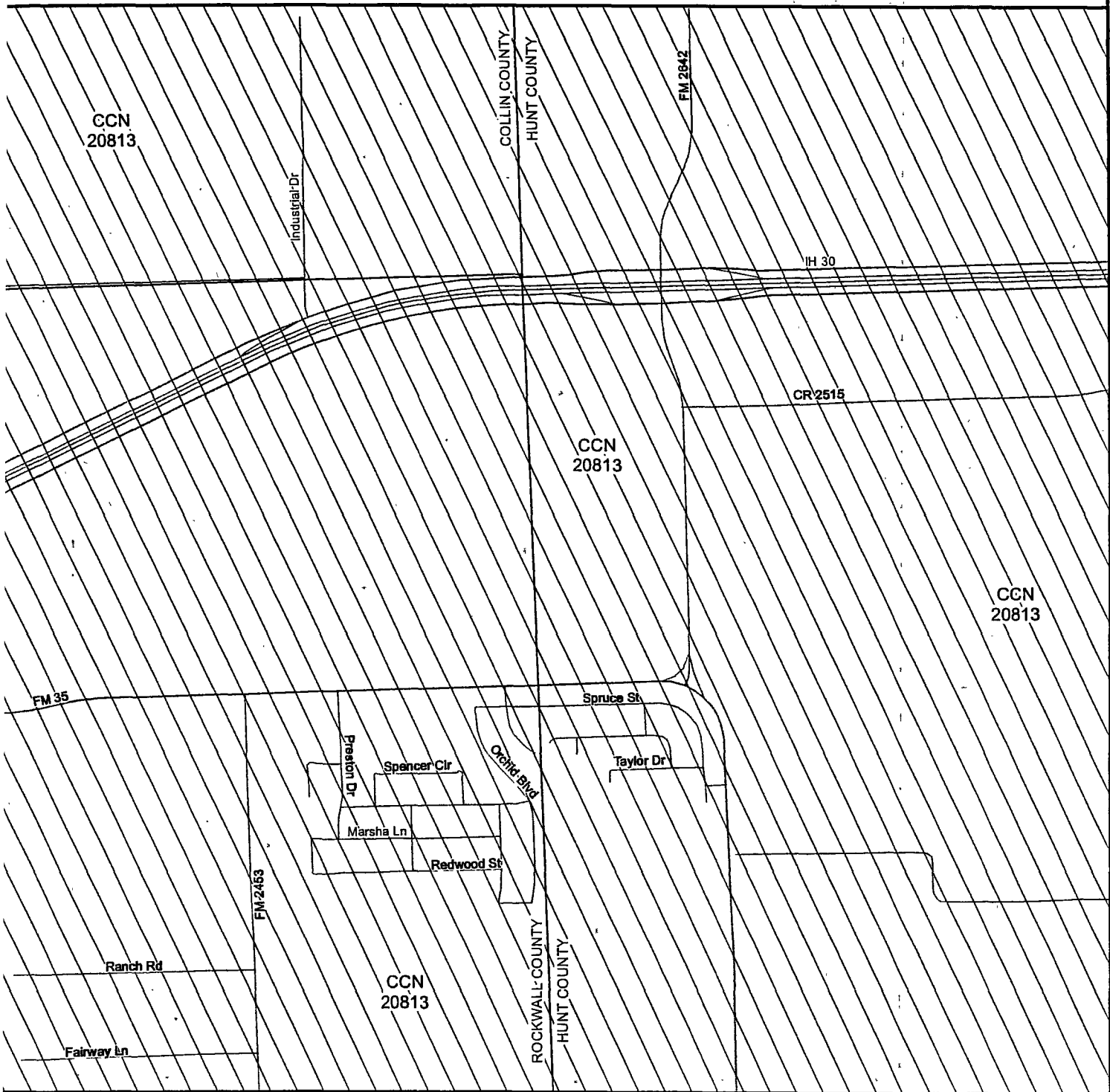
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
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City of Royse City  
Sewer CCN No. 20813  
PUC Docket No. 46451

Amended CCN No. 20813 and Cancelled Verandah MUD, CCN No. 20958 in Hunt & Rockwall Counties



**Sewer CCN**  
 20813 - City of Royse City

