

Control Number: 46451



Item Number: 5

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RECEIVED

APPLICATION OF THE CITY OF §  
 ROYSE CITY TO AMEND ITS §  
 WATER AND SEWER §  
 CERTIFICATES OF §  
 CONVENIENCE AND NECESSITY §  
 AND DECERTIFY A PORTION OF §  
 VERANDAH MUNICIPAL UTILITY §  
 DISTRICT'S SERVICE AREA IN §  
 HUNT AND ROCKWALL COUNTIES. §

PUBLIC UTILITY COMMISSION

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PUBLIC UTILITY COMMISSION  
FILING CLERK

OF TEXAS

### COMMISSION STAFF'S RECOMMENDATION REGARDING ADMINISTRATIVE COMPLETENESS AND REQUEST TO RESTYLE THE DOCKET

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and files this Response to Order No. 1, Recommendation Regarding Administrative Completeness, and Request to Restyle the Docket.

#### I. Background

On October 18, 2016, the City of Royse City (City) filed an application to amend its water and sewer certificates of convenience (CCN) Nos. 12827 and 20813 and to decertify a portion of Verandah Municipal Utility District's (Verandah MUD) water and sewer CCNs in Hunt and Rockwall Counties pursuant to Tex. Water Code §§ 13.242-.250 (TWC) and 16 Tex. Admin. Code §§ 24.101-.107 (TAC).

On October 24, 2016, the Administrative Law Judge (ALJ) issued Order No. 1 requesting Staff to file comments on the administrative completeness of the application and proposed notice and propose a procedural schedule by November 18, 2016. Therefore, this Recommendation is timely filed.

#### II. Staff's Recommendation on Administrative Completeness

Staff reviewed the application pursuant to TWC §§ 13.242-.250 and 16 TAC §§ 24.101-.107. As explained in the attached memorandum (Attachment A) of Ricky Herrera and Gary Horton Jr. of the Water Utilities Division, Staff recommends the application be deemed administratively complete.

#### III. Staff's Recommendation on Notice

Staff reviewed the City's proposed notice and recommends the City be directed to provide notice using the attached notice form (Attachment B). In accordance with 16 TAC § 24.106, Staff

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recommends the City be ordered to provide notice to any districts, utilities, and cities within two miles of the proposed service area, the county judge of each county and each groundwater conservation district wholly or partially included in the proposed service area, any city with an extraterritorial jurisdiction which overlaps the proposed service area, and any landowners who own a tract of land with at least 25 acres wholly or partially included in the proposed service area. In addition to those systems identified in the application, Staff recommends the City provide notice to the entities listed in Attachment A. Staff further recommends the City be directed to include a copy of a map showing the proposed service areas with the individual notices provided to neighboring utilities, customers, and other affected parties.

Staff also recommends the City publish notice once each week for two consecutive weeks in a newspaper of general circulation in Hunt and Rockwall Counties using the attached published notice form (Attachment C). Staff recommends the City be ordered to file copies of the actual notices and map sent along with the signed affidavits (Attachment D) with the Commission after providing notice in accordance with 16 TAC § 24.106.

#### **IV. Staff's Request to Restyle the Docket**

As currently styled, this docket indicates the City is requesting not only to amend its water and sewer CCNs, but also to decertify a portion of Verandah MUD's water and sewer CCNs. After reviewing the application, Staff recommends the docket be restyled to reflect that the City is seeking to cancel Verandah MUD's water and sewer CCNs rather than decertifying a portion of Verandah MUD's service area. Staff respectfully requests the docket be restyled to: "*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.*"

#### **V. Proposed Procedural Schedule**

Staff proposes the following procedural schedule:

<b><u>Event</u></b>	<b><u>Date</u></b>
Deadline for the City to file signed affidavits that the notice was given along with a copy of the notice sent to affected parties and published in a newspaper of general circulation	December 30, 2016

Deadline for Staff to file a recommendation regarding sufficiency of notice and updated procedural schedule	January 11, 2016
Deadline to intervene	30 days after notice is issued

## **VI. Conclusion**

Staff respectfully requests that an order be issued consistent with this Recommendation.

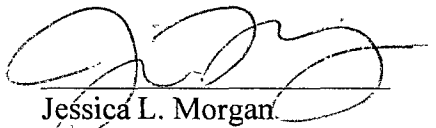
**Dated: November 18, 2016**

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

Margaret Uhlig Pemberton  
Division Director

Stephen Mack  
Managing Attorney

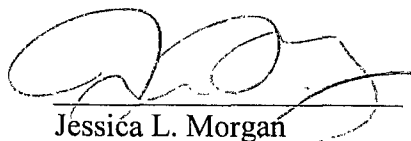


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Austin, Texas 78711-3326  
(512) 936-7229  
(512) 936-7268 (facsimile)

**DOCKET NO. 46451**

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on this November 18, 2016 in accordance with 16 TAC § 22.74.



Jessica L. Morgan

# Attachment A

## PUC Interoffice Memorandum

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**To:** Jessica Morgan  
Legal Division

**Thru:** Tammy Benter, Director  
Lisa Fuentes, Work Lead  
Water Utilities Division

**From:** Ricky Herrera, Staff Engineer  
Gary Horton, Jr., GIS Specialist  
Water Utilities Division

**Date:** November 9, 2016

**Subject:** **Docket 46451**, *Application of the City of Royse City to Amend its water and sewer Certificates of Convenience and Necessity and Decertify a portion of Verandah Municipal Utility District's Service Area in Hunt and Rockwall Counties*

On October 18, 2016, the City of Royse City (City) filed with the Public Utility Commission of Texas (Commission) an application to amend its water and sewer Certificate of Convenience and Necessity (CCN) Nos. 12827 and 20813 and to decertify a portion of Verandah Municipal Utility District's (Verandah MUD) water and sewer CCNs in Hunt and Rockwall Counties. The application is being reviewed for administrative completeness pursuant to Tex. Water Code Ann. §§ 13.242-13.250 (TWC) and 16 Tex. Admin. Code §§ 24.101-24.107 (TAC).

A Staff review of the application found that it is sufficient in the required application and mapping information. In addition, the application makes clear the City seeks to cancel Verandah MUD's water and sewer CCNs rather than decertifying a portion of Verandah MUD's water and sewer CCNs as indicated by the style of the docket. Staff accordingly attaches a corrected notice to indicate the cancellation of Verandah MUD's water and sewer CCNs. Staff recommends that the application be deemed sufficient for filing and found administratively complete.

Staff further recommends the following:

- 1) The Applicant be ordered to provide the attached corrected notice of the application to the following:
  - a) any districts, utilities, and cities within two (2) miles of the proposed area;
  - b) the county judge of each county and each groundwater conservation district that is wholly or partly included in the proposed area to be certified;
  - c) each city with an extraterritorial jurisdiction (ETJ) that is wholly or partly included in the proposed area to be certified;
  - d) landowners who own a tract of land that is at least 25 acres and is wholly or partly located in the proposed area to be certified. The landowner information may be obtained from the county appraisal district tax rolls for the county or counties in which the proposed CCN is located; and
  - e) publish notice once each week for two (2) consecutive weeks in a newspaper of general circulation in Hunt and Rockwall Counties.
- 2) The Applicant provide the attached correct notice of the application to the following entities:

- BHP WSC (CCN No. 10064)
- Cash SUD (CCN No. 10824)
- Hunt County Judge
- North Texas MWD
- Rockwall County Judge
- Sabine River Authority
- Verandah MUD (CCN Nos. 13101 and 20958)

- 3) The Applicant be ordered to include copy of a map showing the proposed service area with the individual notices to neighboring utilities, other affected parties and each landowner. It is the Applicant's burden to provide an accurate map delineating the proposed area with each individual notice. Information related to districts including addresses can be obtained from the Texas Commission on Environmental Quality's web site located at <http://www14.tceq.texas.gov/bwud/>.
- 4) The Applicant file within 30 days of the Commission order, a copy of the actual notice and map issued, along with signed affidavits indicating that the notice was given. It is recommended that the Applicant use the attached notices and affidavits to meet these requirements.

# Attachment B

***Notice to Neighboring Systems, Landowners and Cities***

**NOTICE OF APPLICATION TO AMEND CERTIFICATES OF CONVENIENCE  
AND NECESSITY (CCN) TO PROVIDE WATER AND SEWER UTILITY SERVICE  
IN HUNT AND ROCKWELL COUNTIES, TEXAS**

To: \_\_\_\_\_  
(Neighboring System, Landowner or City)  
\_\_\_\_\_  
(Address)  
\_\_\_\_\_  
(City State Zip)

Date Notice Mailed: \_\_\_\_\_, 2016

The City of Royse City has filed an application with the Public Utility Commission of Texas to amend its Certificate of Convenience and Necessity Nos. CCN No. 12827 and 20813 for the provision of water and sewer utility service in Hunt and Rockwell Counties.

The proposed utility service area is located approximately 2 mile(s) east of downtown Royse City, Texas, and is generally bounded on the north by Interstate Hwy 30; on the east by FM 2642; on the south by FM 35; and on the west by FM 2642.

See enclosed map of the proposed service area.

The total proposed area for the CCNs being requested includes approximately 165 acres and zero (0) current customers.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Public Utility Commission of Texas  
Central Records  
1701 N. Congress, P. O. Box 13326  
Austin, TX 78711-3326

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the Commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the Commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the Commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a large scale map and a metes and bounds description of the tract of land.

Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:

Public Utility Commission of Texas  
Central Records  
1701 N. Congress, P. O. Box 13326  
Austin, TX 78711-3326

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

Si desea informacion en Espanol, puede llamar al 1-512-936-7221.

# Attachment C

***Notice for Publication***

**NOTICE OF APPLICATION TO AMEND CERTIFICATES OF CONVENIENCE  
AND NECESSITY (CCN) TO PROVIDE WATER AND SEWER UTILITY SERVICE  
IN HUNT AND ROCKWELL COUNTIES, TEXAS**

The City of Royse City has filed an application with the Public Utility Commission of Texas to amend its Certificate of Convenience and Necessity Nos. CCN No. 12827 and 20813 for the provision of water and sewer utility service in Hunt and Rockwell Counties.

The proposed utility service area is located approximately 2 mile(s) east of downtown Royse City, Texas, and is generally bounded on the north by Interstate Hwy 30; on the east by FM 2642; on the south by FM 35; and on the west by FM 2642.

The total proposed area for the CCNs being requested includes approximately 165 acres and zero (0) current customers.

A copy of the proposed service area map is available at: 305 N. Arch Street, Royse City, Texas 75189

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

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# Attachment D

# PUBLIC UTILITY COMMISSION



## AFFIDAVIT OF NOTICE TO NEIGHBORING UTILITIES, LANDOWNERS AND CITIES DOCKET NO. 46451

STATE OF TEXAS  
COUNTY OF \_\_\_\_\_

\_\_\_\_\_ has provided individual notice  
to the following entities and landowners:

DATE

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### OATH

I, \_\_\_\_\_, being duly sworn, file this form as  
\_\_\_\_\_ (indicate relationship to applicant, that is, owner,  
member of partnership, title of officer of corporation, or other authorized representative of applicant);  
that in such capacity, I am qualified and authorized to file and verify such form, am personally familiar  
with the notices given with this application, and have complied with all notice requirements in the  
application and application acceptance letter; and that all such statements made and matters set for  
therein are true and correct.

\_\_\_\_\_  
Applicant's Authorized Representative

If the applicant to this form is any person other than the sole owner, partner, officer of the applicant, or  
its' attorney, a properly verified Power of Attorney must be enclosed.

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, to  
certify which witness my hand and seal of office.

\_\_\_\_\_  
Notary Public in and for the State of Texas

\_\_\_\_\_  
Print or Type Name of Notary Public

Commission Expires \_\_\_\_\_

# PUBLIC UTILITY COMMISSION



PUBLISHER'S AFFIDAVIT  
DOCKET NO. \_46451\_

STATE OF TEXAS  
COUNTY OF \_\_\_\_\_

Before me, the undersigned authority, on this day personally appeared

\_\_\_\_\_

who being by me duly sworn, deposes and that (s)he is the

\_\_\_\_\_ of the \_\_\_\_\_  
(TITLE) (NAME OF NEWSPAPER)

that said newspaper is regularly published in \_\_\_\_\_  
(COUNTY/COUNTIES)

and generally circulated in \_\_\_\_\_, Texas;  
(COUNTY/COUNTIES)

and that the attached notice was published in said newspaper on the following dates, to wit:

\_\_\_\_\_  
(DATES)

\_\_\_\_\_  
(SIGNATURE OF NEWSPAPER REPRESENTATIVE)

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_  
to certify which witness my hand and seal of office.

\_\_\_\_\_  
Notary Public in and for the State of Texas

\_\_\_\_\_  
Print or Type Name of Notary Public

Commission Expires \_\_\_\_\_