

Control Number: 46452



Item Number: 53

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APPLICATION OF ALTOGA WATER §  
 SUPPLY CORPORATION AND §  
 NORTH COLLIN SPECIAL §  
 UTILITY DISTRICT FOR SALE, §  
 TRANSFER, OR MERGER OF §  
 FACILITIES AND CERTIFICATE §  
 RIGHTS IN COLLIN COUNTY §

PUBLIC UTILITY COMMISSION

2018 APR 25 PM 2:52  
 PUBLIC UTILITY COMMISSION  
 OF TEXAS FILING CLERK

### JOINT MOTION TO ADMIT EVIDENCE AND JOINT PROPOSED NOTICE OF APPROVAL

**COMES NOW** Altoga Water Supply Corporation ("Altoga") and North Collin Special Utility District ("North Collin") (collectively, the "Applicants") and the Public Utility Commission of Texas (the "Commission") staff ("Staff"), (collectively, the "Parties"), and files this Joint Motion to Admit Evidence and Joint Proposed Notice of Approval. In support thereof, the Parties show the following:

#### I. BACKGROUND

On October 18, 2016, the Applicants filed an application for the sale, transfer, or merger of facilities in Collin County, Texas (the "Application"). The Application covers an area of approximately 4,160 acres and 338 current customers. The proposed service area is located approximately 4.3 miles east/northeast of McKinney, Texas. The Application requests the transfer of all of Altoga's water system under water certificate of convenience and necessity ("CCN") No. 12580 to North Collin and the amendment of North Collin's water CCN No. 11035.

#### II. JOINT MOTION TO ADMIT EVIDENCE

The Parties move to admit the following evidence into record of this proceeding:

- (a) Application, Item No. 1 filed on October 18, 2016;
- (b) Supplemental Information to the STM Application, Item No. 5 filed on November 3, 2016;
- (c) Texas Register notice, Item No. 4, filed on October 25, 2016;
- (d) Affidavit of Notice to Customers of Altoga dated December 2, 2016, Item Nos. 8 and 11, which items are the same Affidavit, both filed on December 15, 2016;

- (e) Affidavit of Notice to All Neighboring Systems, Cities, Utilities, and Affected Parties dated November 22, 2016, Item No. 9 filed on December 15, 2016;
- (f) Commission Staff's recommendation finding notice sufficient, Item No. 13, filed January 5, 2017;
- (g) Commission Staff's recommendation regarding approval of sale to proceed, Item Nos. 43 and 44, filed February 14, 2018;
- (h) Applicants' closing documents, Item Nos. 46, 47, and 48, filed on March 12, 2018 and March 15, 2018;
- (i) Commission Staff's Recommendation on Sufficiency of Closing Documents, Item No. 49, filed on March 22, 2018; and
- (j) Executed Consent Forms (Item Nos. 51 and 52, each filed on April 10, 2018), and the map (attached), and certificates (attached).

### **III. PROPOSED NOTICE OF APPROVAL**

The attached Joint Proposed Notice of Approval grants the Applicants' Application for the transfer and acquisition of Altoga's water system and CCN No. 12580 to North Collin's water CCN No. 11035 in Collin County, Texas.

### **IV. CONCLUSION**

The Parties respectfully request that the Commission approve the attached Joint Proposed Notice of Approval.

Respectfully Submitted,

By: 

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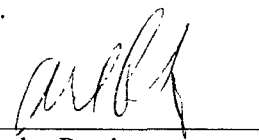
By: 

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**DOCKET NO. 46452**

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on this the \_\_\_\_ of April, 2018 in accordance with 16 TAC § 22.74.

  
Alexander Petak

**DOCKET NO. 46452**

<b>APPLICATION OF ALTOGA WATER</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>SUPPLY CORPORATION AND</b>	<b>§</b>	
<b>NORTH COLLIN SPECIAL</b>	<b>§</b>	<b>OF TEXAS</b>
<b>UTILITY DISTRICT FOR SALE,</b>	<b>§</b>	
<b>TRANSFER, OR MERGER OF</b>	<b>§</b>	
<b>FACILITIES AND CERTIFICATE</b>	<b>§</b>	
<b>RIGHTS IN COLLIN COUNTY</b>	<b>§</b>	

**NOTICE OF APPROVAL**

This Notice of Approval addresses the application of Altoga Water Supply Corporation ("Altoga") and North Collin Special Utility District ("North Collin") (collectively, the "Applicants") for approval of the acquisition and transfer of all of Altoga's water certificate of convenience and necessity ("CCN") to North Collin and amendment of North Collin's water CCN in Collin County (the "Application"). The Public Utility Commission of Texas (the "Commission") staff ("Staff") recommended approval of the Application. The Application is approved. The Commission adopts the following findings of fact and conclusions of law:

**I. FINDINGS OF FACT**

**Procedural History and Background**

1. On October 18, 2016, Applicants filed the Application to transfer facilities and CCN rights in Collin County from Altoga to North Collin.
2. North Collin seeks approval to acquire all of the water system assets of Altoga and the CCN itself.
3. The total area requested includes approximately 4,160 acres and 338 current customers.
4. Altoga holds water CCN No. 12580.
5. North Collin currently holds and will retain its existing water CCN No. 11035 to serve the area formerly within Altoga's CCN No. 12580.
6. On October 21, 2016, the Commission issued Order No. 1 requiring Commission Staff comments and recommendation and addressing procedural matters.
7. On November 3, 2016, Applicants filed supplemental information to the Application.

8. On November 17, 2016, Commission Staff recommended that the application be found administratively complete and that the applicants be required to provide notice.
9. On November 22, 2016, Order No. 2 was issued, finding the Application complete and accepted, requiring applicants to provide notice, and establishing the procedural schedule for continued processing.
10. On December 15, 2016, applicants filed affidavits regarding proof of notice provided to current customers and affected neighboring systems and cities.
11. On December 15, 2016, the City of Princeton filed a request for a public hearing on the application.
12. On January 5, 2017, Commission Staff recommended the notice to be found sufficient.
13. On January 10, 2017, Order No. 3 was issued, finding notice sufficient and complete.
14. On January 11, 2017, the Commission referred this proceeding to the State Office of Administrative Hearings (SOAH) for assignment of an administrative law judge to conduct a hearing and issue a proposal for decision, if necessary.
15. On January 17, 2017, SOAH issued Order No. 1, outlining case description, notice of telephonic prehearing conference, filing and service requirements, and party status.
16. On January 20, 2017, SOAH issued Order No. 2, correcting party names.
17. On February 6, 2017, SOAH issued Order No. 3, granting the City of Princeton's motion to intervene and North Collin's motion to substitute counsel.
18. On February 9, 2017, the Commission issued a Preliminary Order.
19. On February 17, 2017, SOAH issued Order No. 4, memorializing the prehearing conference and ordering parties to confer.
20. On March 7, 2017, SOAH issued Order No. 5, granting North Collin's motion to substitute counsel.
21. On March 24, 2017, SOAH issued Order No. 6, granting the parties agreed motion to extension of time to file a procedural schedule.

22. On April 18, 2017, SOAH issued Order No. 7, granting the parties agreed motion to extension of time to file a procedural schedule.
23. On June 19, 2017, SOAH issued Order No. 8, granting the parties agreed motion to extension of time to file a procedural schedule.
24. On December 5, 2017, North Collin filed a notice of settlement, outlining the City of Princeton's agreement to withdraw its protest to this transaction.
25. On January 18, 2018, North Collin filed a motion to remand this case back to the Commission.
26. On January 26, 2018, SOAH issued Order No. 9, remanding this case back to the Commission and dismissing the case from the SOAH docket.
27. On February 1, 2018, the Commission issued Order No. 4, requiring the parties to file a joint motion to admit evidence and proposed findings of fact, conclusions of law, and ordering paragraphs.
28. On February 14, 2018, Commission Staff recommended the transaction be allowed to proceed and requested additional time for closing documents to be submitted.
29. On February 16, 2018, the Commission issued Order No. 5, approving transaction to proceed and granting an extension of time.
30. On March 12, 2018, Altoga filed an affidavit regarding the closing of the transaction.
31. On March 12, 2018, North Collin filed an affidavit regarding the closing of the transaction.
32. On March 15, 2018, the applicants filed a status report regarding the closing of the transaction.
33. On March 22, 2018, Commission Staff recommended that the closing documents be found sufficient.
34. On March 26, 2018, the Commission issued Order No. 6 finding the closing documents sufficient and establishing a procedural schedule.
35. On April 10, 2018, North Collin filed a consent form agreeing to the final map and certificate as prepared by Commission Staff.

36. On April 10, 2018, Altoga filed a consent form agreeing to the final map and certificate as prepared by Commission Staff.

### **Notice**

37. Notice of the application was published in the *Texas Registrar* on November 4, 2016.
38. Applicants mailed notice of the Application to all Altoga customers on December 2, 2016.
39. The affidavit that customers received notice was dated December 2, 2016, and was filed with the Commission on December 15, 2016.
40. Applicants mailed notice of the Application to all neighboring systems, cities, utilities, and affected parties on November 21, 2016.
41. The affidavit that all neighboring systems, cities, utilities, and affected parties received notice was dated November 22, 2016, and was filed with the Commission on December 15, 2016.

### **Informal Disposition**

42. More than 15 days have passed since the completion of the notice provided in this docket.
43. Altoga, North Collin, and Commission Staff are the only parties to this proceeding.
44. No protests, motions to intervene, or requests for hearing were filed that were not withdrawn and Commission Staff waived its request for a hearing; therefore, no hearing is necessary.

## **II. CONCLUSIONS OF LAW**

1. The Commission has jurisdiction under Texas Water Code §§ 13.041, 13.241, 13.146, 13.251, and 13.301.<sup>1</sup>
2. Altoga and North Collin are retail public utilities, as defined in TWC § 13.002(19) and 16 Texas Administrative Code (TAC) § 24.3(59).
3. Altoga and North Collin provided notice of the Application as required by TWC § 13.301(a)(2).

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<sup>1</sup> Tex. Water Code Ann. §§ 13.041, 13.241, 13.246, 13.251, and 13.301 (west 2008 and Supp. 2017) (TWC).



4. The 120-day deadline for Commission action on this application is consistent with the requirements of 16 TAC § 24.109(e).
5. The application was processed in accordance with the requirements of TWC § 13.301 and 16 TAC § 24.109.
6. Altoga and North Collin completed the sale within 180 days from the date of the Commission's approval to proceed with the sale consistent with 16 TAC § 24.109(o).
7. After considering the factors in TWC § 13.246(c), North Collin has demonstrated adequate financial, managerial, and technical capability for providing continuous and adequate service to the requested area and its current service area.
8. Altoga and North Collin have demonstrated that the transfer of service area and CCN requested in this application is necessary for the service, accommodation, convenience, and safety of the public, as required under TWC § 13.246(b).
9. Under TWC § 13.257(r) and (s), applicants are 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.
10. The requirements for informal disposition pursuant to 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 order:

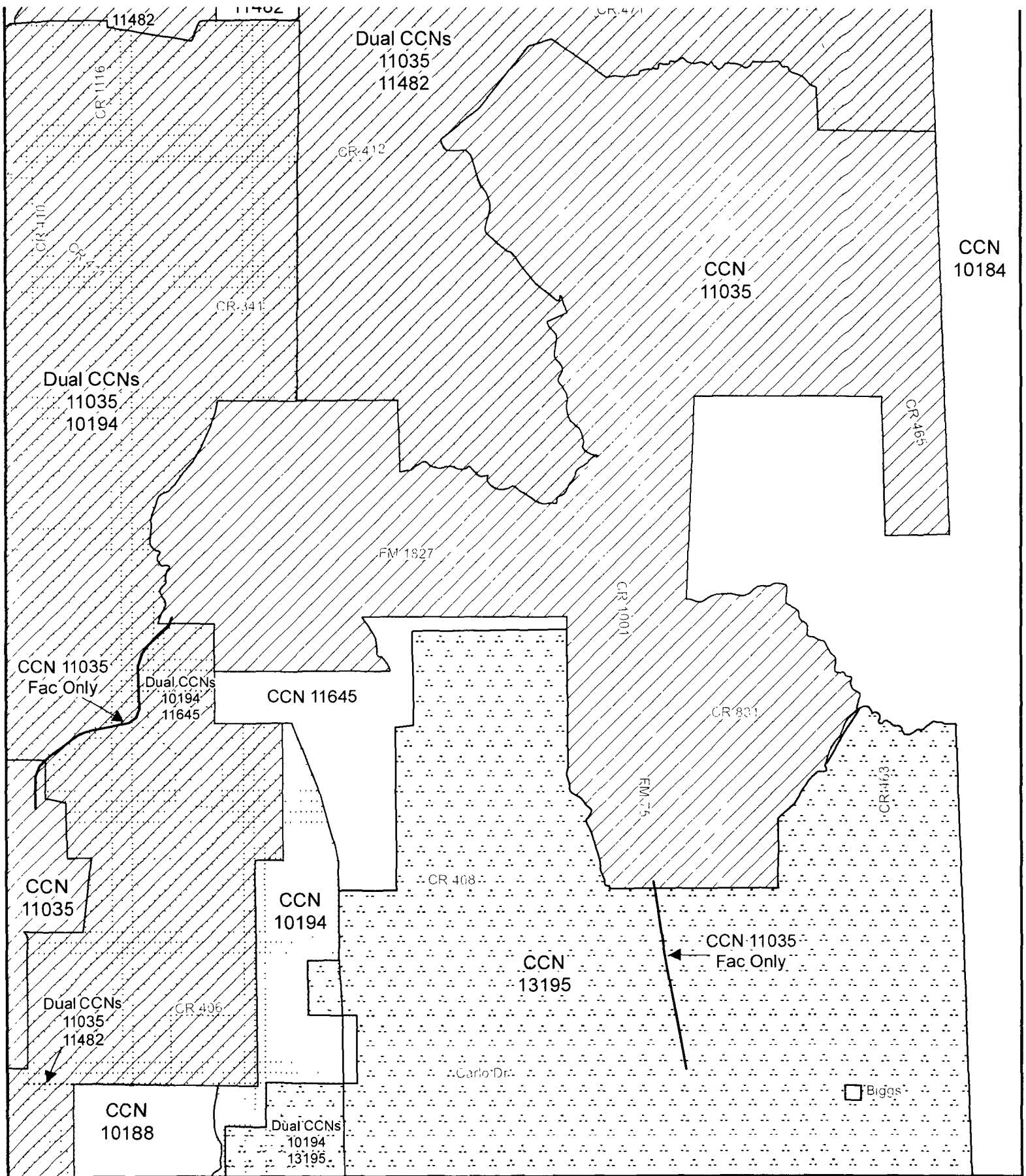
1. The Application is approved.
2. The facilities and certificate rights formerly held by Altoga under CCN No. 12580 in Collin County are transferred to North Collin consistent with this notice.
3. Altoga's CCN No. 12580 is canceled consistent with this notice.
4. Consistent with the attached map, North Collin's CCN No. 11035 is hereby amended to include the area previously served by Altoga.

5. North Collin shall serve every customer and applicant for water service within the approved area that request water service and meet the terms of North Collin's regulations to receive water service and such service shall be continuous and adequate.
6. North Collin shall comply with the recording requirements of TWC § 13.257(r) and (s) for the area in Collin County affected by the application and submit to the Commission evidence of the recording no later than 31 days after receipt of this notice.
7. 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 \_\_\_\_ day of \_\_\_\_\_, 2018.

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PUBLIC UTILITY COMMISSION OF TEXAS  
ADMINISTRATIVE LAW JUDGE



### Water CCN

-  11035 - North Collin SUD
-  11482 - City of Melissa
- 10184 - Verona WSC

0 1,500 3,000  
Feet





# **Public Utility Commission of Texas**

**By These Presents Be It Known To All That**

## **North Collin Special Utility District**

having obtained 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, North Collin County Special Utility District is entitled to this

### **Certificate of Convenience and Necessity No. 12580**

to provide continuous and adequate water utility service to that service area or those service areas in Collin County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 46452 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the North Collin County Special Utility District, 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, this \_\_\_\_\_ day of \_\_\_\_\_ 2018.