

Control Number: 46644



Item Number: 21

Addendum StartPage: 0

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PUBLIC UTILITY COMMISSION
OF TEXAS
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APPLICATION OF LANNIUS §
MUNICIPAL UTILITY DISTRICT §
A/K/A LANNIUS WATER SUPPLY §
CORPORATION AND BOIS D'ARC §
MUNICIPAL UTILITY DISTRICT FOR §
SALE, TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN FANNIN COUNTY §

NOTICE OF APPROVAL

This Notice addresses the application of Lannius Municipal Utility District a/k/a Lannius Water Supply Corporation (Lannius) and Bois D'Arc Municipality District (Bois D'Arc) (collectively, applicants) for sale, transfer, or merger of facilities and certificate rights in Fannin County. Commission Staff recommended approval of the application, as supplemented. The application, as supplemented, is approved.

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

I. Findings of Fact

1. On December 7, 2016, Lannius and Bois D'Arc filed an application for approval of (a) the sale and transfer of all of Lannius' water systems and certificate rights under CCN No. 11163 to Bois D'Arc, (b) amendment to Bois D'Arc's CCN No. 11753 to include the area, systems, and customers formerly served by Lannius, (c) cancellation of Lannius' CCN No. 11163, and (d) transfer of approximately 420 acres and 112 current customers from Lannius to Bois D'Arc.
2. The application comprises an area of approximately 420 acres and 112 current customers.
3. As a result of the transaction, applicants intend to integrate their systems, which will marginally upgrade the reliability and capacity of Lannius' system.
4. The area is located approximately 1.3 miles east/northeast of Dodd City.
5. Lannius holds water CCN No. 11163.
6. Bois D'Arc holds water CCN No. 11753.

21

7. On December 8, 2016, Order No. 1 was issued, establishing a deadline for Commission Staff to file a recommendation regarding administrative completeness of the application and proposed procedural schedule.
8. On January 6, 2017, Commission Staff recommended that the application be found administratively complete and proposed a procedural schedule.
9. On January 9, 2017, Order No. 2 was issued, finding the application complete and accepted, requiring provision of notice, and establishing a procedural schedule.
10. On January 30, 2017, Commission Staff recommended that proof of notice be found sufficient and proposed a procedural schedule for adoption.
11. On January 31, 2017, Order No. 3 was issued, finding the notice sufficient and establishing deadlines for the remainder of proceeding.
12. On February 16, 2017, applicants filed supplemental information of the latest Texas Commission on Environmental Quality inspection letter, dated August 28, 2015.
13. On March 15, 2017, Commission Staff recommended that the transaction be allowed to proceed.
14. On March 16, 2017, Order No. 4 was issued, authorizing the proposed transaction to proceed.
15. On March 17, 2017, applicants filed additional background information to be included in Commission Staff's recommendation.
16. On March 23, 2017, Commission Staff recommended that the information from applicants' supplement along with the application, be found sufficient to show that the transaction had closed and that the CCN transfer should be finalized.
17. On March 23, 2017, Order No. 5 was issued, finding the closing documents sufficient and establishing a procedural schedule.
18. On April 21, 2017, Bois D'Arc filed signed consent to the proposed revised map and certificate.
19. On May 2, 2017, Lannius filed signed consent to the proposed revised map and certificate.

20. The revised map and certificate referenced in Findings of Fact Nos. 18 and 19 are attached to this Notice.
21. On May 11, 2017, Commission Staff filed a joint motion to admit evidence and joint proposed notice of approval.
22. On May 15, 2017, Order No. 6 was issued, admitting evidence.

Notice

23. Notice of the application was published in the *Texas Register* on December 23, 2016.
24. Lannius mailed notice to customers, neighboring systems, cities, utilities, and affected parties on January 13, 2017.
25. On January 25, 2017, Lannius filed an affidavit of proof that notice was mailed to neighboring systems, cities, utilities, and affected parties.
26. On January 25, 2017, Lannius filed an affidavit of proof that notice was mailed to all customers.

Informal Disposition

27. More than 15 days have passed since completion of the notice provided in this docket.
28. Bois D'Arc, Lannius, and Commission Staff are the only parties to this proceeding.
29. No protests, motions to intervene, or requests for hearing were filed in this case.

II. Conclusions of Law

1. The Commission has jurisdiction over these matters under Texas Water Code §§ 13.242-.250 and 13.301 (TWC) and 16 Texas Administrative Code § 24.101-.107 (TAC).
2. Lannius and Bois D'Arc are retail public utilities as defined in TWC § 13.002(19) and 16 TAC § 24.3(59).
3. Notice of the application was provided as required by TWC § 13.246 and 16 TAC § 24.106.
4. After considering the relevant factors in TWC § 13.246(c), Bois D'Arc has demonstrated adequate financial, managerial, and technical capability for providing continuous and adequate service to the requested area as well as its existing service area.

5. Applicants have demonstrated that the sale and transfer meet the requirements set forth in §§ 13.242-.250 and 16 TAC § 24.101-.02 to be granted transfer and amendment to Bois D'Arc's CCN No. 11753.
6. Applicants have demonstrated that amendment of Bois D'Arc's CCN is necessary for the service, accommodation, convenience, or safety of the public, as required under TWC § 13.246(b) and 16 TAC § 24.102(c).
7. Under TWC § 13.257(r) and 16 TAC § 24.106(f), 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.
8. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.

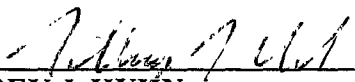
III. Ordering Paragraphs

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

1. The application, as supplemented, is approved.
2. Bois D'Arc's CCN No. 11753 is amended to include the certificated service area and facilities held by Lannius under water CCN No. 11163.
3. Lannius' CCN No. 11163 is cancelled.
4. Bois D'Arc shall serve every customer and applicant for service within the area covered by its CCN No. 11753, and such service shall be continuous and adequate.
5. Applicants shall comply with the recording requirements in TWC § 13.257(r) for the areas in each county affected by this application and submit to the Commission evidence of the recording no later than 31 days after receipt of this Notice.
6. 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 17th day of May 2017.

PUBLIC UTILITY COMMISSION OF TEXAS



JEFFREY J. HUHN
ADMINISTRATIVE LAW JUDGE

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Public Utility Commission of Texas

By These Presents Be It Known To All That

Bois D' Arc Municipal Utility District

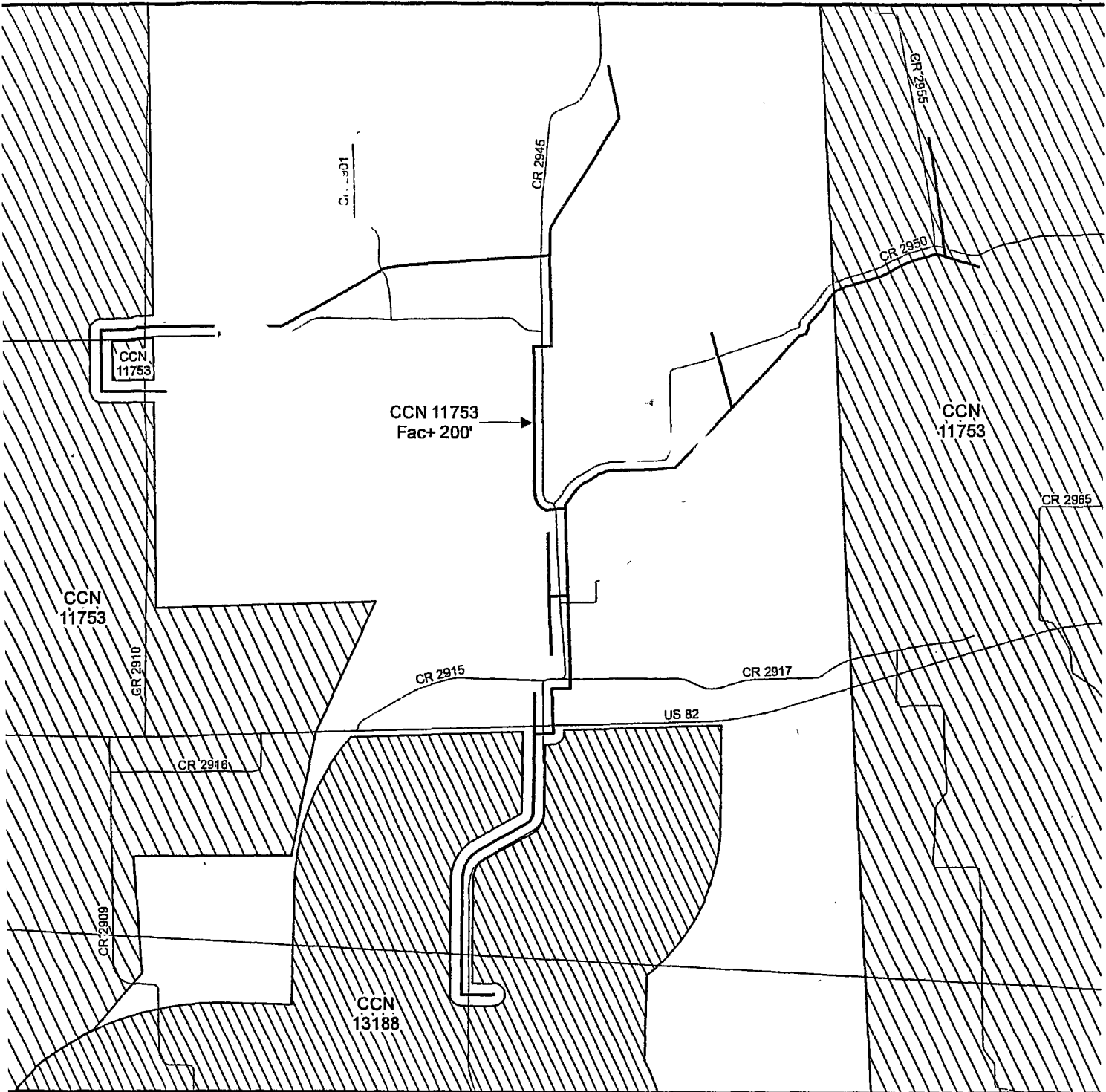
having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, Bois D' Arc Municipal Utility District, is entitled to this

Certificate of Convenience and Necessity No. 11753

to provide continuous and adequate water utility service to that service area or those service areas in Fannin and Lamar Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 46644 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 Bois D' Arc Municipal 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 obtain 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 17TH day of MAY 2017.

Bois D' Arc MUD
 Portion of Water CCN No. 11753
 PUC Docket No. 46644
 Transferred all of Lannius WSC, CCN No. 11163 in Fannin County



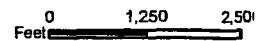
Water Facility CCN

— 11753 - Bois D' Arc MUD
 - Facilities + 200'

Water CCN

11753 - Bois D' Arc MUD

13188 - City of Dodd City



Public Utility Commission of Texas
 1701 N. Congress Ave
 Austin, TX 78701

Map by: Komal Pat
 Date created: April 12, 201
 Project Path: n:\finalmapping\46644BoisDArcMUD.m