

Control Number: 46835



Item Number: 73

Addendum StartPage: 0

APPLICATION OF THE CITY OF  
PRINCETON TO AMEND ITS  
CERTIFICATES OF CONVENIENCE  
NECESSITY AND TO DECERTIFY A  
PORTION OF ALTOGA WATER  
SUPPLY CORPORATION'S WATER  
SERVICE AREA IN COLLIN COUNTY

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BEFORE THE PUBLIC UTILITY COMMISSION

FILING CLERK

COMMISSION OF TEXAS

**SUPPLEMENTAL JOINT MOTION TO ADMIT EVIDENCE AND  
PROPOSED NOTICE OF APPROVAL**

COMES NOW the City of Princeton ("Princeton" or "City") together with the Staff ("Staff") of the Public Utility Commission of Texas ("Commission"), representing the public interest, (collectively, the "Parties"), and file this Supplemental Joint Motion to Admit Evidence and Proposed Notice of Approval. In support thereof, the Parties show the following:

**I. BACKGROUND**

On February 6, 2017, the City filed an application to amend its water and sewer certificates of convenience and necessity ("CCNs") for the City in Collin County. On February 10, 2017, the Commission issued notice of the City's application. On February 22, 2018, Staff filed a recommendation that the application be found administratively complete. Order No. 11, issued by the Commission administrative law judge (ALJ) on February 23, 2018, found the application administratively complete and set a procedural schedule including the requirement that the parties file joint findings of fact and conclusions of law. On September 21, 2018, the parties filed a Joint Motion to Admit Evidence and Proposed Notice of Approval. In Order No. 16, issued by the Commission ALJ on December 6, 2018, the motion to admit evidence was granted.

On December 11, 2018, the Commission ALJ issued Order No. 17, requiring Staff to provide a clarification statement related to two questions posed by the ALJ. On December 17, 2018, Staff filed a response, addressing the ALJ's questions. Staff also requested an extension in order to obtain

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further information from the Applicant regarding the ALJ's questions and to allow for the potential approval of the application in Docket No. 46452.

On January 2, 2019, the Commission ALJ issued Order No. 18, granting Staff's request for an extension. On January 29, 2019, Staff supplemented its earlier response to the ALJ's questions and requested an abatement due to the present docket's reliance on the disposition of Docket No. 46452.

On February 7, 2019, the Commission ALJ issued Order No. 19, granting Staff's request for an abatement. On March 5, 2019, the Commission ALJ issued Order No. 20, granting Staff's request to continue the abatement until March 20, 2019.

On March 19, 2019, Commission Staff filed a status report stating that the application in Docket No. 46452 had been approved by the Commission.

On March 26, 2019, the Commission ALJ issued Order No. 21, approving Staff's proposed procedural schedule. Specifically, Order No. 21 required the parties to file an amended motion to admit evidence and revised notice of approval by April 3, 2019.

On April 3, 2019, Commission Staff requested an extension to present a consent form to North Collin SUD and request that North Collin SUD file a signed consent form indicating its approval of the final water CCN map and its amended water certificate. A portion of the water service area at issue in the present matter will be dually-certificated between Applicant and North Collin SUD.

On April 4, 2019, the Commission ALJ issued Order No. 22, approving Staff's request for an extension to file a motion to admit evidence and revised notice of approval until April 12, 2019. Therefore, this pleading is timely filed.

## **II. JOINT MOTION TO ADMIT EVIDENCE**

The Parties move to admit the following supplemental documents into the record evidence

in this proceeding:

- a. City's Joint Motion to Amend Application, Withdraw Protest, and Acknowledge Receipt of Notice, and supporting documentation, filed July 2, 2018;
- b. Suzy O Kemp's Request to Opt Out, filed on July 16, 2018;
- c. Commission Staff's Response to Order No. 17 and Request for Extension, and supporting documentation, filed on December 17, 2018;
- d. Commission Staff's Response to Order No. 17 and Request for Abatement, filed January 29, 2019;
- e. North Collin SUD's consent form to the final water CCN map and certificate, filed on April 3, 2019; and
- f. The attached final maps and certificates.

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

The Parties move for adoption of the attached Joint Proposed Notice of Approval included as Attachment A, which would approve the Application to amend water CCN Nos. 13195 and 11035 and sewer CCN No. 21057 in Collin County, Texas.



#### IV. CONCLUSION

The Parties respectfully request that the Commission grant the Supplement Joint Motion to Admit Evidence and adopt the attached Joint Proposed Notice of Approval.

Respectfully submitted,

**Russell Rodriguez Hyde Bullock, L.L.P.**  
1633 Williams Drive, Building 2, Suite 200  
Georgetown, Texas 78628  
(512) 930-1317  
(866) 929-1641 (Fax)

/s/ Arturo D. Rodriguez, Jr.

ARTURO D. RODRIGUEZ, JR.  
State Bar No. 00791551

ATTORNEY FOR THE CITY OF PRINCETON

Agreed:



Richard Nemer  
Commission Staff

#### CERTIFICATE OF SERVICE

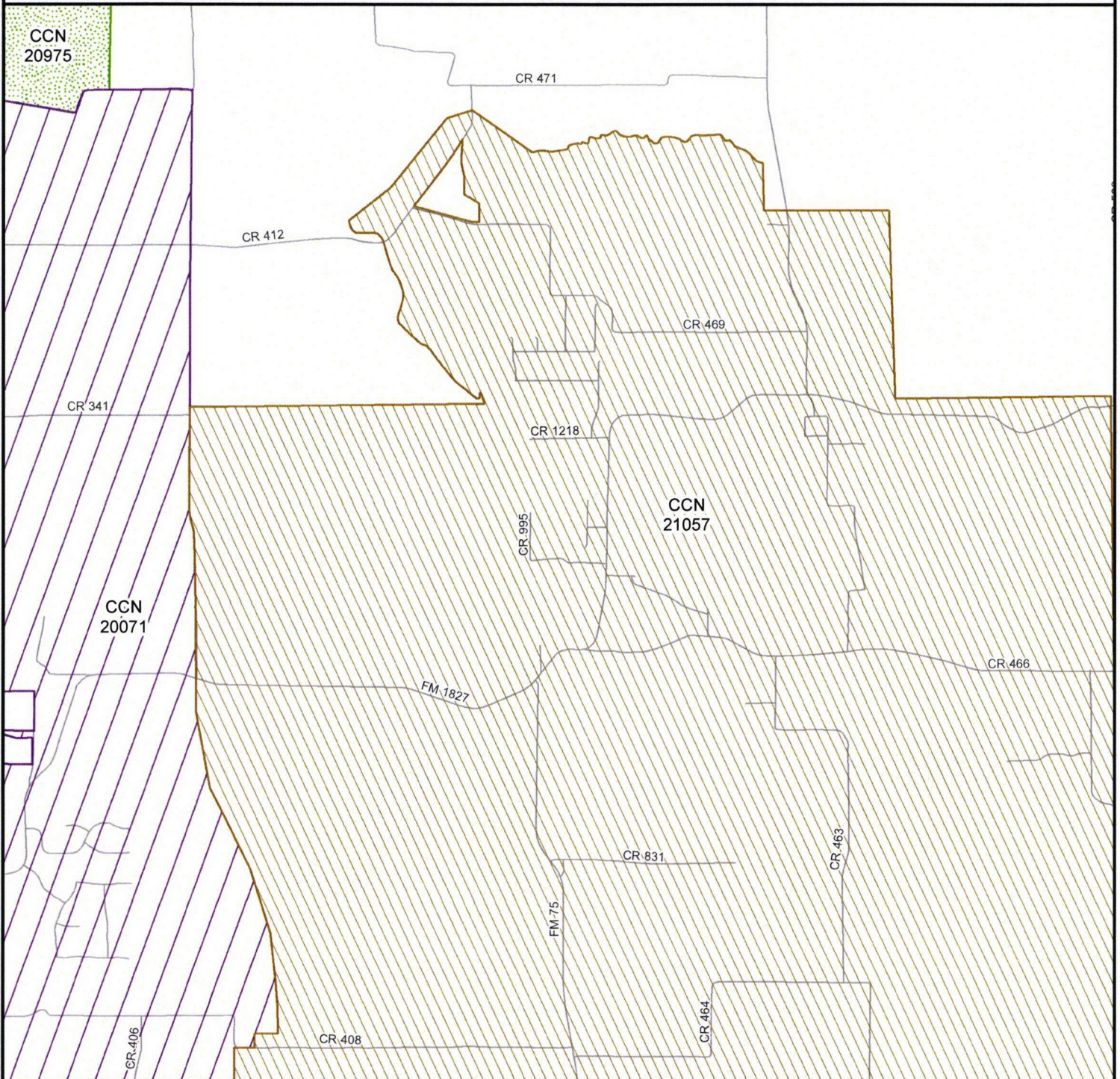
I hereby certify that on this 12th day of April 2019, a true and correct copy of the foregoing document has been sent via facsimile, first class mail, or hand-delivered to the following counsel of record:

Via Electronic Mail & Facsimile

Richard Nemer  
Attorney – Legal Division  
Public Utility Commission of Texas  
1701 N. Congress Avenue  
Austin, TX 78701  
(512) 936-7268 Fax  
[richard.nemer@puc.texas.gov](mailto:richard.nemer@puc.texas.gov)




/s/ Arturo D. Rodriguez, Jr.  
ARTURO D. RODRIGUEZ, JR.

City of Princeton  
Portion of Sewer CCN No. 21057  
PUC Docket No. 46835  
Amended CCN 21057 in Collin County



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

**Sewer CCN**

-  21057 - City of Princeton
-  20071 - City of McKinney
-  20975 - City of Melissa

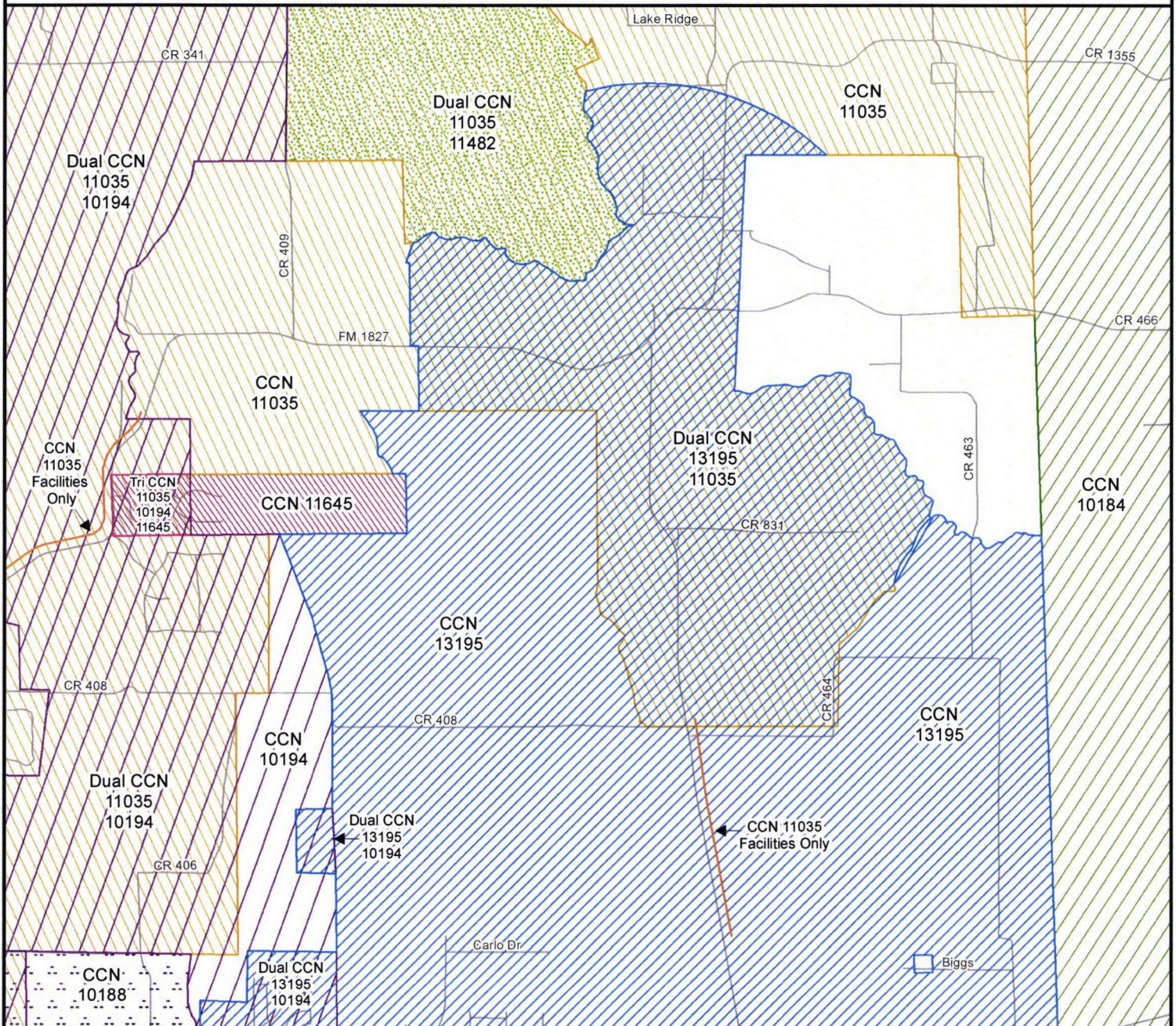
0 1,500 3,000  
Feet



Map by: Komal Patel  
Date created: August 9, 2018  
Project Path: n:\finalmapping\  
46835CityofPrincetonSewer.mxd



City of Princeton  
Portion of Water CCN No. 13195  
PUC Docket No. 46835  
Amended CCN No. 13195 and  
Obtained Dual Certification with North Collin SUD, CCN No. 11035 in Collin County



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

Map by: Komal Patel  
Date created: August 3, 2018  
Project Path: n:\finalmapping\  
46835CityofPrinceton.mxd

### Water CCN

-  13195 - City of Princeton
-  11035 - North Collin SUD
-  11482 - City of Melissa
-  11645 - Windmill Estates Water
-  10194 - City of McKinney
-  10184 - Verona WSC
-  10188 - Milligan WSC

### Facilities Only Water CCN

-  11035 - North Collin SUD

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Feet







# **Public Utility Commission of Texas**

**By These Presents Be It Known To All That**  
**City of Princeton**

having obtained certification to provide sewer 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, the City of Princeton is entitled to this

## **Certificate of Convenience and Necessity No. 21057**

to provide continuous and adequate sewer 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. 46835 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 City of Princeton, 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 \_\_\_\_\_ 2019.



# **Public Utility Commission of Texas**

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

## **City of Princeton**

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, the City of Princeton is entitled to this

### **Certificate of Convenience and Necessity No. 13195**

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. 46835 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 City of Princeton, 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 \_\_\_\_\_ 2019.



# **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 Special Utility District is entitled to this

### **Certificate of Convenience and Necessity No. 11035**

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. 46835 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 North Collin 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 \_\_\_\_\_ 2019.

**DOCKET NO. 46835**

<b>APPLICATION OF THE CITY OF</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>PRINCETON TO AMEND ITS</b>	<b>§</b>	
<b>CERTIFICATES OF CONVENIENCE</b>	<b>§</b>	
<b>NECESSITY AND TO DECERTIFY A</b>	<b>§</b>	<b>OF TEXAS</b>
<b>PORTION OF ALTOGA WATER</b>	<b>§</b>	
<b>SUPPLY CORPORATION'S WATER</b>	<b>§</b>	
<b>SERVICE AREA IN COLLIN COUNTY</b>	<b>§</b>	

**JOINT PROPOSED NOTICE OF APPROVAL**

This Notice of Approval addresses the application of the City of Princeton (City) to amend its water and sewer certificates of convenience and necessity (CCN) and to decertify a portion of the Altoga Water Supply Corporation's (Altoga WSC's) CCN in Collin County. The Commission approves the application and amends water CCN No. 13195 and sewer CCN No. 20157 to include the requested area, and amends a portion of the water CCN previously certified to Altoga WSC, and now held by North Collin SUD, CCN No. 11035..

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

**I. FINDINGS OF FACT**

*Applicant*

1. The City is a municipality that provides water service under CCN No. 13195 and sewer service under CCN No. 20157.

*Application*

2. On February 6, 2017, the City filed an application to amend the water and sewer certificates of convenience and necessity for the City in Collin County seeking to include approximately 2,633 acres total acres for water services and 1,636 acres for sewer services. There are 2,813 water connections in the requested service area and 2,813<sup>1</sup> sewer connections in the the

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<sup>1</sup> Following a single opt-out request, the number of sewer connections at the time of this filing has decreased by one since the submittal of the original application. There are now 2,812 sewer connections in the requested service

requested service area. The application also sought to decertify a portion of Altoga WSC's CCN in Collin County.

3. The water and sewer requested service areas are located entirely within Collin County, Texas.
4. The requested water and sewer service areas are located approximately between 2 and 6 miles north of downtown Princeton, Texas, and is generally bounded on the north by County Road 471; on the east by County Road 500 and County Road 494; on the south by Monte Carlo Blvd., and on the west by County Roads 406 and 409 and FM 1827.
5. On October 18, 2017, the City amended the water CCN portion of its application to reflect a settlement agreement between the City, Altoga WSC, and North Collin Special Utility District (North Collin SUD).
6. On October 25, 2017, the City amended its application to attach additional mapping information.
7. In Order No. 11, issued on February 23, 2018, the administrative law judge (ALJ) found the application administratively complete.
8. On July 2, 2018, the City amended the water CCN portion of its application to reflect boundary changes based on an agreement between the City, Altoga WSC, and North Collin SUD. As a result of the agreement, instead of the City pursuing decertification of water service area held at that time by Altoga WSC, the parties agreed to dual-certification in the specified water service area.
9. On July 16, 2018, Suzy O. Kemp filed a request to be excluded from the sewer service area.
10. On July 25, 2018, the City amended the sewer CCN portion of its application to reflect service area boundary changes based on Ms. Kemp's request to opt out. Ms. Kemp's property is located within the City's proposed sewer CCN service area, but not the proposed water CCN

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area.



service area.

11. On September 7, 2018, the City filed a signed consent form concurring with the maps and certificates prepared by Commission Staff.
12. On March 13, 2019, in Docket No. 46452, the Commission issued an order approving the transfer of facilities and certificate rights held by Altoga WSC, water CCN No. 12580, to North Collin SUD, water CCN No. 11035. Therefore, North Collin SUD, rather than Altoga WSC, is now certified in the water service area originally sought to be decertified by the City.
13. On April 3, 2019, North Collin SUD filed a signed consent form concurring with the water CCN map and water certificate prepared by Commission Staff.

#### *Notice*

14. Notice of the application appeared in the February 24, 2017, issue of the *Texas Register*.
15. On April 18, 2018, and April 23, 2018, the City filed the affidavits of Arturo D. Rodriguez, Jr., the City's authorized representative, attesting that the City mailed notice of the application to neighboring utilities, counties, cities, and affected parties.
16. On April 5, 2018, and April 12, 2018, the *Princeton Herald*, a newspaper of general circulation in Collin County, published notice of the application.
17. In Order No. 13 issued on May 11, 2018, the ALJ found the notice sufficient.

#### *Evidentiary Record*

18. On September 21, 2018, the parties filed a proposed notice of approval and joint motion to admit evidence.
19. In Order No. 16 issued on December 6, 2018, the ALJ admitted the following into evidence:
  - a. The City's Application, filed on February 6, 2017;
  - b. Notice for *Texas Register*, filed on February 10, 2017;

- c. Acknowledgement of Receipt for *Texas Register* filed on February 15, 2017;
  - d. City's Amended CCN Application, filed on October 18, 2017;
  - e. City's Amended CCN Application Supplement, filed on October 25, 2017;
  - f. City's Response to Order No. 9, filed on January 18, 2018;
  - g. City's Proof of Notice, filed on April 18, 2018;
  - h. City's Amended Proof of Notice, filed April 23, 2018;
  - i. City's Submission of Revised Sewer CCN Map, filed on July 25, 2018;
  - j. The City's consent form to the final maps and certificates, filed on September 7, 2018; and
  - k. Commission Staff recommendation that the Application be approved, along with the attached final maps and certificates, filed September 14, 2018.
20. On April 12, 2019, the parties filed a supplemental proposed notice of approval and joint motion to admit evidence.
21. In Order No. \_\_\_\_ issued on \_\_\_\_\_, 2019 the ALJ admitted the following into evidence:
- l. City's Joint Motion to Amend Application, Withdraw Protest, and Acknowledge Receipt of Notice, and supporting documentation, filed July 2, 2018;
  - m. Suzy O Kemp's Request to Opt Out, filed on July 16, 2018;
  - n. Commission Staff's Response to Order No. 17 and Request for Extension, and supporting documentation, filed on December 17, 2018;
  - o. Commission Staff's Response to Order No. 17 and Request for Abatement, filed January 29, 2019;

- p. North Collin SUD's consent form to the final water CCN map and certificate, filed on April 3, 2019; and
- q. The attached final maps and certificates.

*Adequacy of Service*

- 22. The City is currently providing service to customers in the requested area.

*Need for Service*

- 23. The requested area is within the City's primary growth corridor which will require water and sewer services.

*Effect of Granting the Certificates to the City and Any Other Retail Public Utility*

- 24. Due to an agreement between the City and North Collin SUD, included in Docket No. 46452, there should be no effect on any other retail public utility servicing the area.

*Ability to Provide Adequate Service*

- 25. The City has a TCEQ-approved public water system that will provide retail water service to the requested service area.
- 26. The City has a TCEQ-approved wastewater collection system that will provide retail sewer service to the requested service area.
- 27. By contract, the City is supplied with treated surface water, as well as sewer treatment serviced by the North Texas Municipal Water District (NTMWD). NTMWD is a regional provider of both services to several cities in the region. Given the capacity of both the water and sewer treatment facilities of NTMWD, the City has adequate capacity to serve the requested area.

*Feasibility of Obtaining Service from an Adjacent Retail Public Utility*

- 28. The City's water and sewer systems will provide the water and sewer service to the requested area.

29. The agreement with NCSUD allows both NCSUD and the City to economically and efficiently allocate water and sewer services to the requested area.

*Financial Ability to Pay for Facilities and Financial Stability*

30. The City has a debt service coverage ratio greater than 1.25.
31. The City has sufficient cash available to cover any projected operations and maintenance shortages.

*Environmental Integrity and Effect on the Land*

32. The City will provide water and sewer services to the requested area as the area develops and avoid the use of septic systems.
33. Any environmental disturbances will be temporary.

*Improvement of Service or Lowering of Costs to Consumers*

34. It is expected that the services to the requested area will be comparable to the services provided to the City's existing customers.

*Informal Disposition*

35. On May 23, 2018, NCSUD and Altoga WSC filed a Motion to Intervene.
36. On July 2, 2018, NCSUD and Altoga WSC withdrew the Motion to Intervene. Neither entity was granted party status in this docket.
37. NCSUD and Altoga WSC are not parties to this docket.
38. No other parties requested a hearing.
39. No issues of law or fact remain disputed by any party; therefore, there is no need for a hearing.
40. City and Commission Staff are the only parties to this proceeding.
41. On September 14, 2018, Commission Staff recommended approval of the application.

**II. CONCLUSIONS OF LAW**

1. The Commission has jurisdiction over this application pursuant to Texas Water Code (TWC)

§§ 13.041, 13.241, 13.244 and 13.246.

2. The City is a retail public utility as defined in TWC § 13.002(19) and 16 Texas Administrative Code (TAC) § 24.3(59).
3. Notice of the application complied with TWC § 13.246 and 16 TAC § 24.235.
4. The Commission processed the application in accordance with the requirements of the Administrative Procedure Act,<sup>2</sup> the TWC, and Commission rules.
5. After considering the factors in TWC § 13.246(c), the City demonstrated adequate financial, managerial, and technical capability for providing continuous and adequate service to the requested area, and its current service area, in Collin County as required under TWC § 13.241 and 16 TAC § 24.227.
6. The amendment to water CCN Nos. 13195 and 11035 and sewer CCN No. 21057 is necessary for the service, accommodation, convenience, or safety of the public under TWC § 13.246 and 16 TAC § 24.227(c).
7. Under TWC § 13.257(r) and (s), the City and North Collin SUD are required to record a certified copy of its revised CCNs and maps, along with a boundary description of the service areas in the real property records of Collin County and submit to the Commission evidence of the recording.
8. 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 Commission approves the application and amends the City's water CCN No. 13195 and

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<sup>2</sup> Tex. Gov't Code §§ 2001.001-.902.

sewer CCN No. 21057 in accordance with this Notice.

2. The Commission amends a portion of the service area for North Collin SUD water CCN No. 11035 to depict dual-certification with the City, as described in this Notice and shown on the water CCN map attached to this notice.
3. The Commission's official service area boundary maps for the City will reflect the changes as provided in the attached maps.
4. The City and North Collin SUD must comply with the recording requirements in 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.
5. The City must serve every customer and applicant for service within the areas certified under water and sewer CCN Nos. 13195 and 21057, respectively, and such service shall be continuous and adequate.
6. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

SIGNED AT AUSTIN, TEXAS on the \_\_\_\_ day of \_\_\_\_\_, 2019.

PUBLIC UTILITY COMMISSION OF TEXAS

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Commission Counsel