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DOCKET NO. 47229

APPLICATION OF CITY OF AUSTIN	§	PUBLIC UTILITY COMMISSION
TO AMEND A WATER CERTIFICATE	§	
OF CONVENIENCE AND NECESSITY	§	OF TEXAS
AND TO DECERTIFY SUNFIELD	§	
MUNICIPAL UTILITY DISTRICT NO. 4	§	
IN HAYS COUNTY	§	

AMENDED NOTICE OF APPROVAL

This Notice addresses the application of the City of Austin to amend its certificate of convenience and necessity (CCN) and to decertify a portion of Sunfield Municipal Utility District No. 4's CCN in Hays and Travis Counties. The Commission approves the amendment to CCN No. 11322 and decertifies a portion of Sunfield's CCN No. 13116.

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

I. Findings of Fact

Applicant

1. Austin is a municipality providing potable water service for compensation under CCN No. 11322.
2. Austin operates under Texas Commission on Environmental Quality (TCEQ) permitted public water system ID No. 2270001.
3. Sunfield is a political subdivision that provides water service under CCN No. 13116.

Application

4. On May 31, 2017, Austin filed an application seeking approval to amend its CCN No. 11322 and decertify a portion of Sunfield's CCN No. 13116 in Hays and Travis Counties.
5. The total area requested includes approximately 575 acres and has no customers.

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6. The area is located approximately 2.5 miles east of downtown Buda and is generally bounded on the north by Turnersville Road, on the east by South Turnersville Road, on the south by Satterwhite Road, and on the west by CR 118.
7. In Order No. 8 issued on March 29, 2018, the ALJ deemed the application administratively complete and required Austin to provide notice.
8. On August 1, 2018, Austin and Sunfield filed consent forms concurring with the map and certificates provided by Commission Staff.

Adequacy of Current Service

9. Austin's public water system has access to an adequate supply of water and has no unresolved TCEQ violations.
10. Austin has adequate capacity to serve the requested area.

Need for Service

11. Sunfield does not currently provide service to the requested area.
12. Granting Austin's CCN amendments will eliminate the need for installation of individual wells and septic tanks by landowners.

Effect of Granting the Amendment on Retail Public Utilities and Landowners

13. The Commission received no protests or concerns from any other adjacent retail public utility.
14. Granting Austin's CCN amendments will not adversely affect landowners in the area. Austin is an established utility and the proposed development will not affect current customers or any other retail public utility servicing the proximate area.

Financial Ability to Pay for, Operate, and Manage Facilities

15. Austin has a debt-service-coverage ratio of 3.16.
16. Austin has demonstrated sufficient cash is available to cover any projected operations and maintenance shortages in the first five years of operation.

Feasibility of Obtaining Service From Adjacent Retail Public Utility

17. It is not feasible for an adjacent utility to provide service to the requested area because

the City has an agreement with Sunfield to provide retail water service to the requested area.

Environmental Integrity

18. Granting Austin's CCN will minimally impact the environmental integrity of the requested area because additional construction is needed to provide service to the requested area.

Improvement in Service of Lowering of Costs

19. Austin will serve customers in the requested area where there is no service currently.

Notice

20. Notice of the application appeared in the June 16, 2017 issue of the *Texas Register*.
21. On April 24, 2018, Austin filed the affidavits of Randi Jenkins, Program Manager of the City of Austin, attesting that notice of the application was mailed to neighboring systems, landowners, cities, and to affected parties on March 30, 2018. Additionally, Ms. Jenkins attested that notice of the application was published in the *Austin American Statesman*, circulated in Hays and Travis Counties on April 7, 2018 and April 20, 2018.
22. In Order No. 9 issued on May 15, 2018, the ALJ found notice to be sufficient.

Evidentiary Record

23. On August 14, 2018, Commission Staff and Austin filed a joint motion to admit evidence.
24. In Order No. 10 issued on November 13, 2018, the ALJ entered the following evidence into the record: (1) the City of Austin's application filed on May 31, 2017; (2) Austin's first supplement to the application filed on September 20, 2017; (3) Austin's second supplement to the application filed on September 22, 2017; (4) Austin's third supplement to the application filed on November 17, 2017; (5) Austin's fourth supplement to the application filed on February 15, 2018; (6) Austin's fifth supplement to the application filed on March 9, 2018; (7) Austin's sixth supplement to the application filed on March 15, 2018; Austin's seventh supplement to the application filed on March 22, 2018; (8) Commission Staff's fifth supplemental recommendation on administrative completeness filed on March 22, 2018; (9) Austin's proof of notice filed on April 24, 2018; (10) Commission

Staff's notice of sufficiency recommendation filed on May 3, 2018; (11) consent forms filed on August 1, 2018; and (12) Commission Staff's recommendation on final disposition filed on August 3, 2018.

Informal Disposition

25. More than 15 days have passed since the completion of notice provided in this docket.
26. Commission Staff, Austin, and Sunfield are the only parties to this proceeding.
27. No party filed a request for hearing and no hearing is necessary.
28. This decision is not adverse to any party.

II. Conclusions of Law

1. The Commission has jurisdiction over this application under Texas Water Code (TWC) §§ 13.041, 13.241, 13.244, 13.246, and 13.251.
2. The applicants are retail public utilities as defined in TWC § 13.002(19) and 16 Texas Administrative Code (TAC) § 24.3(59).
3. The application meets the requirements set forth in TWC §§ 13.241, 13.244, and 13.246, and 16 TAC §§ 24.225–227 and 24.231–235.
4. Notice of the application was provided in compliance with TWC § 13.246 and 16 TAC § 24.235.
5. The Commission processed the application in accordance with the requirements of the Administrative Procedure Act,¹ the TWC, and Commission rules.
6. Austin has demonstrated that approval of this application is necessary for the service, accommodation, convenience, or safety of the public as required under TWC § 13.246(b) and 16 TAC § 24.227(c).
7. Austin has demonstrated adequate financial, managerial, and technical capability for providing continuous and adequate service to the requested area and its current service area as required by TWC § 13.241(a) and 16 TAC § 24.11(a).

¹ Administrative Procedure Act, Tex. Gov't Code §§ 2001.001–.902.

8. Under TWC § 13.257(r) and (s), Austin and Sunfield are required to record a certified copy of the approved certificates 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 in 16 TAC § 22.35 have been met in this proceeding.

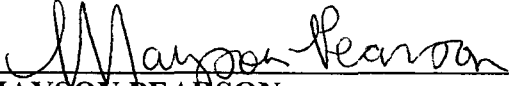
III. Ordering Paragraphs

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

1. The Commission approves the application and amends Austin's CCN No. 11322 to decertify a portion of Sunfield's CCN No. 13116.
2. The Commission approves the map and certificates attached to this Notice.
3. Austin must serve every customer and applicant for water service within the area certified under water CCN No. 11322, and such service must be continuous and adequate.
4. Austin and Sunfield must comply with the recording requirements of TWC § 13.257(r) and (s) for the area in Hays and Travis 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. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the 1st day of February 2019.

PUBLIC UTILITY COMMISSION OF TEXAS



MAYSON PEARSON
ADMINISTRATIVE LAW JUDGE