



Control Number: 47315



Item Number: 27

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DOCKET NO. 47315

RECEIVED

APPLICATION OF CHATEAU WOODS §  
MUNICIPAL UTILITY DISTRICT TO §  
AMEND A SEWER CERTIFICATE OF §  
CONVENIENCE AND NECESSITY IN §  
MONTGOMERY COUNTY §

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PUBLIC UTILITY COMMISSION  
OF TEXAS  
FILING CLERK

### NOTICE OF APPROVAL

This Notice addresses the application of Chateau Woods Municipal Utility District (Chateau Woods MUD) to amend its sewer certificate of convenience and necessity (CCN) number 20937 in Montgomery County. Commission Staff recommends approval of the application. The Commission approves the application, as amended.

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

#### I. Findings of Fact

##### The Applicant

1. Chateau Woods MUD is a special law district created to assume ownership of the former City of Chateau Woods' assets and obligations relating to the City's water and sewer system.
2. Chateau Woods MUD provides retail water and sewer service to approximately 800 connections in Montgomery County.

##### The Application

3. Chateau Woods MUD seeks to amend a portion of its CCN No. 20937 in Montgomery County to correct an error in its current boundaries.
4. The requested area is within the City of Oak Ridge North's municipal boundary, but not in Oak Ridge's sewer CCN. The amendment will align Chateau Woods MUD's CCN boundary with its district boundary.
5. The requested area includes approximately 13.6 acres and 178 current customers.



6. The requested area is located approximately .13 miles west of downtown Oak Ridge North, Texas and is generally bounded on the north by Woodson Road; on the east by Union Pacific Railroad; on the south by 741ft south of Woodson Road and on the west by 290ft west of Blue Berry Hill Drive.
7. Chateau Woods MUD currently provides service to the requested area.
8. A need for additional service does not exist because Chateau Woods MUD currently provides service in the requested area.
9. Granting the amendment will have no effect on Chateau Woods MUD and other retail public utilities near the requested area because it will correct an error with Chateau Woods MUD's current CCN boundary.
10. Chateau Woods MUD owns and operates a wastewater treatment facility under Texas Commission on Environmental Quality (TCEQ) permit number 2340009.
11. Chateau Woods MUD's sewer treatment facilities have adequate capacity to serve the requested area.
12. Chateau Woods MUD's sewer treatment facilities have no unresolved TCEQ violations.
13. Obtaining service from an adjacent retail public utility is not necessary because Chateau Woods MUD has been servicing this area for 30 years.
14. Chateau Woods MUD has demonstrated that it has the financial resources to operate and manage the utility and the ability to provide continuous and adequate service to its existing service area.
15. Granting Chateau Woods MUD's CCN amendment will not adversely impact the environmental integrity of the requested area because it is already providing service to the area.
16. Granting Chateau Woods MUD's application will have no effect on the cost or service to its existing customers.

**Notice**

17. Notice of the application appeared in the July 7, 2017 issue of the *Texas Register*.

18. On October 20 and 27, 2017, the *Conroe Courier*, a newspaper of general circulation in Montgomery County, published notice of the application.
19. On November 17, 2017, February 22, 2018, and March 2, 2018, Chateau Woods MUD mailed notice of the application to neighboring utilities, landowners, and cities and to affected parties.

**Informal Disposition**

20. More than 15 days have passed since completion of the notice.
21. The only parties to this proceeding are Chateau Woods MUD and Commission Staff.
22. No issues of fact or law remain disputed by any party.

**Procedural History**

23. On June 19, 2017, Chateau Woods MUD filed an application to amend CCN number 20937 in Montgomery County.
24. In Order No. 1 issued on June 21, 2017, the administrative law judge (ALJ) required Commission Staff to file comments on the administrative completeness of the application.
25. On June 28, 2017 and July 17, 2017, Chateau Woods MUD filed amendments to the application.
26. In Order No. 2 issued on July 20, 2017, the ALJ found the application deficient, established deadlines, and an opportunity to cure.
27. On September 22, 2017, Chateau Woods MUD filed supplemental documents in response to Order No. 2.
28. In Order No. 3 issued on October 2, 2017, the ALJ found the application administratively complete, addressed notice, and established a procedural schedule.
29. On November 17, 2017, Chateau Woods MUD filed proof of published notice.
30. In Order No. 4 issued on November 21, 2017, the ALJ found the notice deficient, established deadlines and an opportunity to cure the deficiency.
31. On December 5, 2017, the City of Oak Ridge North filed a motion to intervene and a requested a hearing on the application.

32. In Order No. 5 issued on December 14, 2017, the ALJ granted the motion to intervene.
33. In Order No. 6 issued on February 2, 2018, the ALJ required Chateau Woods MUD to file proof of direct notice to neighboring utilities, landowners, and cities.
34. On February 22, 2018, Chateau Woods MUD filed proof of direct notice to neighboring utilities, landowners, and cities.
35. On February 23, 2018, Oak Ridge submitted a letter to Chateau Woods MUD withdrawing its objections to the application.
36. On March 2, 2018, Chateau Woods MUD filed a motion to grant the City's request to withdraw as a party, attaching the City's request to withdraw dated February 23, 2018.
37. On March 5, 2018, Commission Staff recommended that the ALJ find Chateau Woods MUD's notice sufficient and proposed a procedural schedule for continued processing of application.
38. In Order No. 7 issued on March 6, 2018, the ALJ found the notice sufficient and established a procedural schedule.
39. On May 4, 2018, Chateau Woods MUD filed consent forms to the maps and certificates.
40. On May 11, 2018, Commission Staff filed a final recommendation for approval of the application. Commission Staff attached the final map and certificate.
41. On May 21, 2018, Commission Staff and Chateau Woods MUD filed a joint motion to admit evidence and notice of approval.
42. In Order No. 8 issued on May 23, 2018, the ALJ admitted evidence into the record of this proceeding.

## **II. Conclusions of Law**

1. Chateau Woods MUD is a retail public utility as defined in TWC §§ 13.002(19)<sup>1</sup> and 16 Texas Administrative Code (TAC) § 24.3(59).
2. The Commission has jurisdiction over the application under TWC §§ 13.041, 13.241,

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<sup>1</sup> Tex. Water Code Ann. § 13.002(19) (West 2008 and Supp. 2017) (TWC).

13.244, and 13.246.

3. Public notice of the application was provided in compliance with TWC § 13.246 and 16 TAC § 24.106.
4. The Commission processed the application in accordance with the Administrative Procedure Act,<sup>2</sup> TWC, and Commission rules.
5. After considering the factors in TWC § 13.246, Chateau Woods MUD is entitled to approval of the application, having demonstrated adequate financial, managerial and technical capability for providing continuous and adequate service to the requested area as required by TWC § 13.241.
6. Approval of the application 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 (s), Chateau Woods MUD is 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 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, as amended.
2. The Commission amends Chateau Woods MUD's sewer CCN number 20937 in Montgomery County consistent with this Notice.
3. The Commission's official service area boundary maps for Montgomery County shall reflect this change as shown in the attached map.
4. Chateau Woods MUD shall serve every customer and applicant for service within the

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<sup>2</sup> Administrative Procedure Act, Tex. Gov't Code Ann. §§ 2001.001- .902 (West 2016 & Supp. 2017).

areas certified under CCN number 20937 and such service shall be continuous and adequate.

5. Chateau Woods MUD shall comply with the recording requirements in TWC § 13.257(r) and (s) for the areas in Montgomery County affected by the application and submit to the Commission evidence of the recording no later than 31 days after receipt of this Notice.
6. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the 9th day of July 2018.

**PUBLIC UTILITY COMMISSION OF TEXAS**

  
**IRENE MONTELONGO**  
**DIRECTOR, DOCKET MANAGEMENT**

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# **Public Utility Commission of Texas**

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

## **Chateau Woods Municipal Utility District**

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, Chateau Woods Municipal Utility District is entitled to this

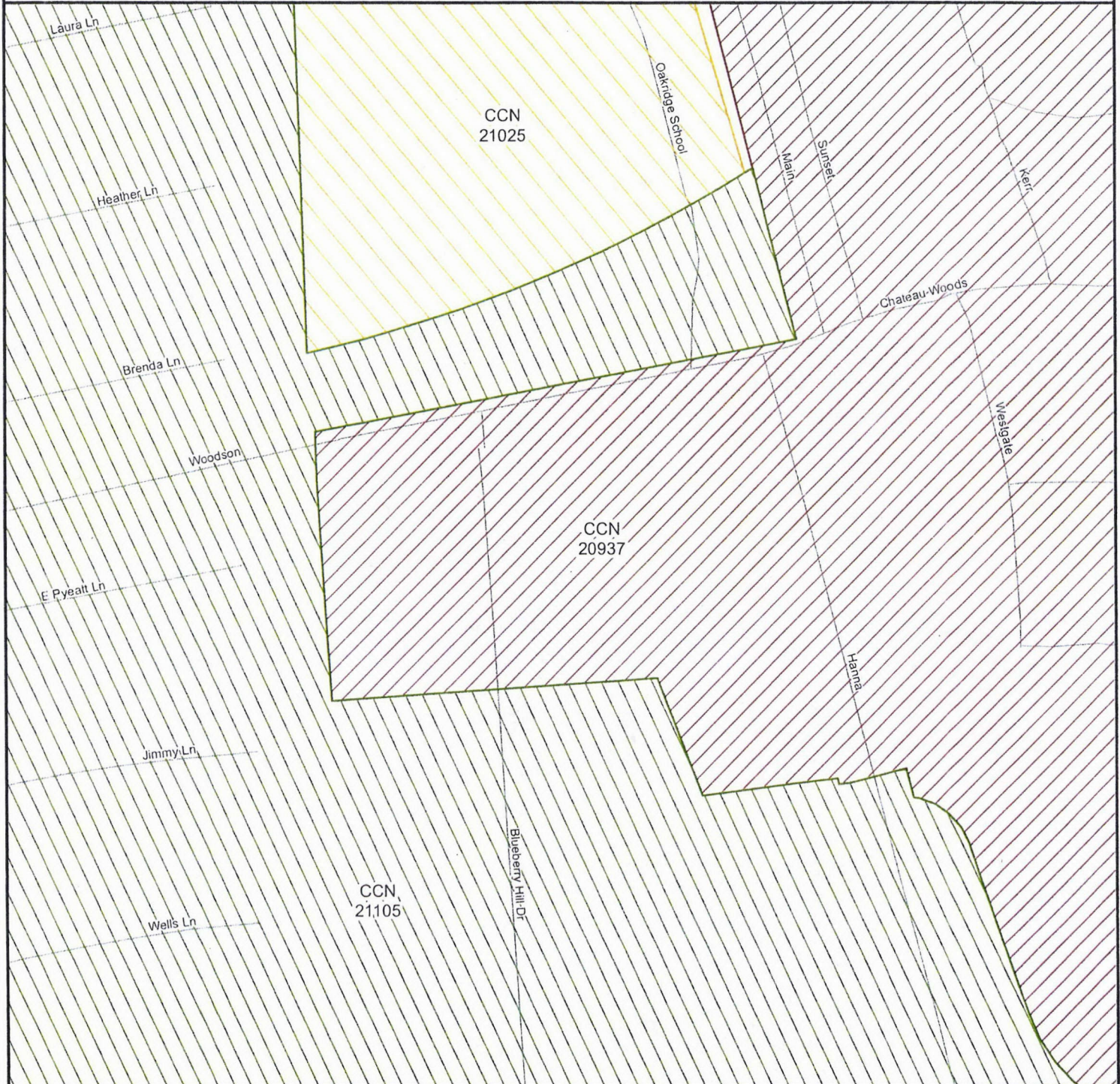
### **Certificate of Convenience and Necessity No. 20937**

to provide continuous and adequate sewer utility service to that service area or those service areas in Montgomery County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 47315 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 Chateau Woods 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 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 9th day of July 2018.



Chateau Woods Municipal Utility District  
Portion of Sewer CCN No. 20937  
PUC Docket No. 47315  
Amended CCN No. 20937 in Montgomery County



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

**Sewer CCN**

-  20937 - Chateau Woods MUD
-  21105 - City of Oak Ridge North
-  21025 - City of Shenandoah

0 125 250  
Feet



Map by: Komal Patel  
Date created: March 23, 2018  
Project Path: n:\finalmapping\47315ChateauWoodsMUD.mxd