



Control Number: 47940



Item Number: 18

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PETITION OF TERRA §
INVESTMENTS, LP TO AMEND §
MONARCH UTILITIES, LP'S SEWER §
CERTIFICATE OF CONVENIENCE §
AND NECESSITY IN MONTGOMERY §
COUNTY BY EXPEDITED RELEASE §

PUBLIC UTILITY COMMISSION
PUBLIC UTILITY COMMISSION
OF TEXAS

NOTICE OF APPROVAL ON REHEARING

This Notice addresses the petition of Terra Investments, LP for expedited release of approximately 54.86 acres of land within Monarch Utilities, LP's sewer certificate of convenience and necessity (CCN) No. 20899 in Montgomery County. Commission Staff recommended approval of the petition. The Commission grants the petition on rehearing.

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

I. Findings of Fact

Procedural History, Description and Background

1. On January 10, 2018, Terra Investments filed a petition for expedited release of approximately 54.86 acres of land within Monarch Utilities' sewer CCN No. 20899 in Montgomery County. The petition included a special warranty deed confirming Terra Investments' ownership of the 54.86-acre tract of land, an affidavit confirming that the tract of land is not receiving sewer service from Monarch Utilities that the 54.86-acre tract of land is located in Montgomery County, and a statement that the petition was sent *via* certified mail to Monarch Utilities.
2. On January 12, 2018, Order No. 1 was issued requiring comments on the administrative completeness of the petition and notice, and establishing procedural schedule.
3. On February 9, 2018, Commission Staff recommended that the petition and notice be deemed administratively complete.
4. On February 16, 2018, Order No. 2 was issued finding the petition administratively complete, notice sufficient, and establishing a procedural schedule.

5. On March 1, 2018, Commission Staff recommended: (a) approval of the petition, (b) that no property would be rendered useless or valueless by decertification, and (c) that no compensation proceeding is necessary. Commission Staff also provided an amended certificate and service area map.
6. The map and certificate are attached to this Notice.
7. No protests, motions to intervene, or requests for hearing were filed in this proceeding.
8. On March 21, 2018, a notice was issued approving the petition.
9. On April 13, 2018, Commission Staff filed a motion for rehearing.
10. On May 10, 2018, the Commission considered the motion for hearing in open meeting.
11. On May 10, 2018, the Commission issued an order remanding the proceeding and directing the administrative law judge to verify the proper legal name of the utility referred to in the petition; to confirm that the notice requirements were satisfied; and to confirm that the incorrect legal name provided in all filings prejudiced no one.
12. On May 17, 2018, Order No. 3 was issued requiring the parties to jointly file the information directed in the remand order.
13. On May 24, 2018, the parties filed a joint response to Order No. 3 verifying the correct legal name; confirming that notice has been satisfied; confirming that the legal name correction prejudiced no one; and requested to reopen the evidentiary record.
14. On May 31, 2018, the Commission issued Order No. 4 reopening the record and admitting the joint response to Order No. 3 including attachments and Commission Staff's April 13, 2018 motion for rehearing with attachments.

Notice

15. Notice of the petition was published in the *Texas Register* on January 26, 2018.

Project Description

16. Terra Investments owns the 54.86-acre tract of land in Montgomery County.
17. The 54.86-acre tract of land is located within Monarch Utilities' CCN No. 20899 service area.

18. The tract of land is located in a qualifying county and is not receiving sewer service.

Sewer Service

19. The tract of land is not receiving sewer service from Monarch Utilities as that term has been defined by the Courts.

Useless or Valueless

20. Monarch Utilities has no property that is rendered useless or valueless by the decertification.

II. Conclusions of Law

1. Montgomery County is a qualifying county as defined in Texas Water Code § 13.254(a-5)¹ and 16 Texas Administrative Code (TAC) § 24.113.
2. The Commission has jurisdiction over this petition under TWC §§ 13.041 and 13.254(a-5).
3. Notice of the petition was provided in compliance with 16 TAC § 24.113(l)(3)(A)(vi) and 16 TAC §§ 22.54 and 22.55.
4. The 54.86-acre tract of land is not receiving service from Monarch Utilities under TWC § 13.254(a-5).
5. No property of Monarch Utilities is rendered useless or valueless by the decertification; therefore, under TWC § 13.254(d)-(g) no compensation is owed.
6. Because no compensation is owed, under TWC § 13.254(d)-(g), a retail public utility may render retail sewer service directly or indirectly to the public in the decertified area without providing compensation to Monarch Utilities.
7. Terra Investments is entitled to approval of the petition having sufficiently satisfied the requirements of TWC § 13.254(a-5) and 16 TAC § 24.113 by adequately demonstrating ownership of a tract of land that is at least 25 acres, is located in a qualifying county, and is not receiving sewer service.

¹ Tex. Water Code Ann. § 13.254(a-5) (West 2008 & and Supp. 2017) (TWC).

8. The petition was processed in accordance with the Administrative Procedure Act,² TWC, and Commission rules.
9. Under TWC § 13.257(r) and (s), Monarch Utilities is required to record a certified copy of the approved certificate 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.

III. Ordering Paragraphs

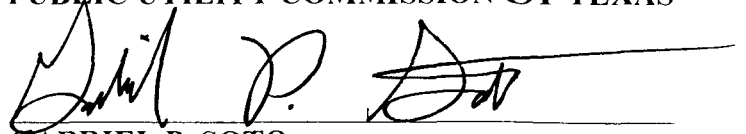
In accordance with these findings of fact and conclusion of law, the Commission issues the following orders:

1. The Commission grants the petition on rehearing.
2. Terra Investments' 54.86-acre tract of land is removed from Monarch Utilities' sewer CCN No. 20899.
3. Monarch Utilities' sewer CCN No. 20899 is amended in accordance with this Notice.
4. A copy of Monarch Utilities' amended sewer CCN No. 20899 is attached to this Notice.
5. The Commission's official service area boundary map for Monarch Utilities shall reflect this change, as provided in the attached map.
6. Monarch Utilities shall comply with the recording requirements in TWC § 13.257(r) and (s) for the area in Montgomery County affected by the petition and submit to the Commission evidence of the recording no later than 31 days after receipt of this Notice.
7. All other motions and any other requests for general or specific relief, if not expressly granted, are denied.

² Tex. Gov't Code Ann. §§ 2001.001-.902 (West 2016 & Supp. 2017).

Signed at Austin, Texas the 20TH day of June 2018.

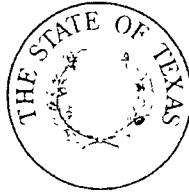
PUBLIC UTILITY COMMISSION OF TEXAS

A handwritten signature in black ink, appearing to read 'Gabriel P. Soto', is written over a horizontal line.

GABRIEL P. SOTO

ADMINISTRATIVE LAW JUDGE

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Public Utility Commission of Texas

By These Presents Be It Known To All That

Monarch Utilities I, LP

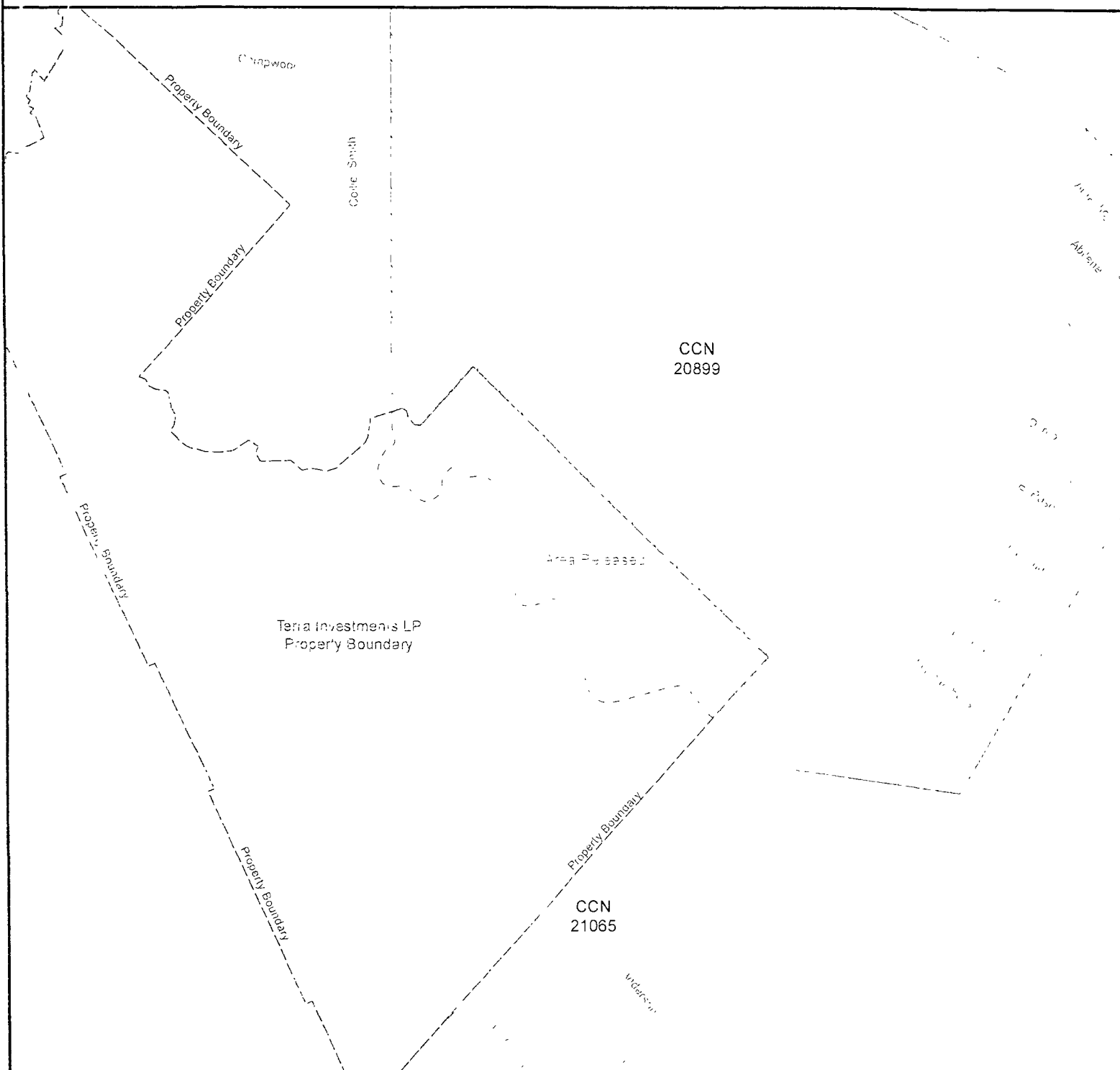
having obtained certification to provide sewer utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, Monarch Utilities I, LP, is entitled to this

Certificate of Convenience and Necessity No. 20899

to provide continuous and adequate sewer utility service to that service area or those service areas in Chambers, Grayson, Harris, Henderson, Medina, Montgomery, San Jacinto, Trinity, Wood Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 47940 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 Monarch Utilities I, LP, 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 20TH day of JUNE 2018.

Monarch Utilities I, LP
 Portion of Sewer CCN No. 20899
 PUC Docket No. 47940
 Petition by Terra Investments, LP to
 Amend Monarch Utilities I, LP's CCN by Expedited Release in Montgomery County



Sewer CCN

- 20899 - Monarch Utilities I LP
- 21065 - Aqua Texas Inc

- Area Released
- Property Boundary

0 500 1,000
 Feet

