



Control Number: 48250



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APPLICATION OF STANLEY LAKE
MUNICIPAL UTILITY DISTRICT TO
AMEND CERTIFICATES OF
CONVENIENCE AND NECESSITY AND
TO DECERTIFY PORTIONS OF SC
UTILITIES AND T&W WATER
SERVICE COMPANY'S CERTIFICATED
SERVICE AREAS IN MONTGOMERY
COUNTY

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PUBLIC UTILITY COMMISSION
FILING CLERK

PUBLIC UTILITY COMMISSION
OF TEXAS

JOINT MOTION TO ADMIT EVIDENCE AND PROPOSED NOTICE OF APPROVAL

COMES NOW applicant, Stanley Lake Municipal Utility District (Stanley Lake), and Commission Staff (Staff) (collectively, the parties) to jointly file this Motion to Admit Evidence and Proposed Notice of Approval. The parties respectfully request that the specified evidence be admitted and that the attached Notice of Approval be adopted. In support thereof, the parties show the following:

I. BACKGROUND

On April 10, 2018, Stanley Lake Municipal Utility District (Stanley Lake) filed an application to amend Certificates of Convenience and Necessity (CCN) Nos. 11222 (water) and 20483 (sewer) and to decertify a portion of T&W Water Service's (T&W) CCN No. 12892 and SC Utilities' (SC) CCN No. 20586 service area in Montgomery County. The requested area consists of approximately 739 total acres including nine (9) acres decertified from T&W Water Service and nine (9) acres decertified from SC Utilities, and six (6) current customers. On October 31, 2018, Staff filed its Recommendation on Final Disposition recommending that Stanley Lake's application be approved.

On August 3, 2018, the administrative law judge (ALJ) issued Order No. 4, establishing a procedural schedule and requiring the parties to file joint proposed findings of fact, conclusions of law, and ordering paragraphs by October 2, 2018. On September 19, 2018, Staff requested an extension of time on the pending deadlines in this matter. On September 21, 2018, the Administrative Law Judge (ALJ) granted the request in Order No. 5, extending the deadline to file joint proposed findings of fact, conclusions of law, and ordering paragraphs to November 8, 2018.

On November 8, 2018, Staff requested an additional extension of time. On November __, 2018, the ALJ granted the request in Order No. 6, extending the deadline until November 16, 2018. Therefore, this pleading is timely filed.

II. MOTION TO ADMIT EVIDENCE

The parties jointly request that the following evidence be admitted into the record of this proceeding:

Stanley Lake's application filed April 10, 2018;

Notice of the application published in the Texas Register on April 27, 2018;

Stanley Lakes' affidavit of proof of notice filed July 23, 2018;

T&W's consent to the final map and certificates filed on September 20, 2018;

SC's consent to the final map and certificate filed on October 2, 2018;

Stanley Lakes' consent to the final map and certificates filed October 2, 2018; and,

Commission Staff's final recommendation filed on October 31, 2018.

III. MOTION TO ADOPT PROPOSED NOTICE OF APPROVAL

The attached Notice of Approval would grant the application of Stanley Lake to amend CCN Nos. 11222 (water) and 20483 (sewer) and to decertify a portion of T&W Water Service's (T&W) CCN No. 12892 and SC Utilities' (SC) CCN No. 20586 service area in Montgomery County, Texas. Staff and Stanley Lake have reviewed and agree to the attached Proposed Order.

This docket was processed in accordance with applicable statutes and Commission rules. Notice of the application was issued pursuant to applicable Commission rules. Stanley Lake and Staff are the only parties to this proceeding. The parties jointly request that the attached Proposed Order be adopted.

IV. CONCLUSION

The parties respectfully request that the Commission grant the admittance of the specified evidence and adopt the attached Proposed Notice of Approval.

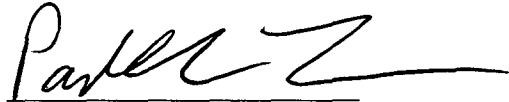
Dated: November 9, 2018

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

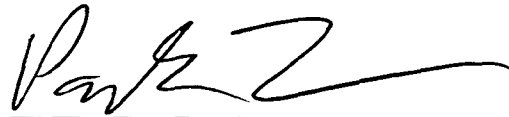
Karen S. Hubbard
Managing Attorney

A handwritten signature in black ink, appearing to read "Patrick D. Todd", written over a horizontal line.

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**DOCKET NO. 48250
CERTIFICATE OF SERVICE**

I certify that a copy of this document was served on all parties of record on November 9, 2018, in accordance with the requirements of 16 TAC § 22.74.

A handwritten signature in black ink, appearing to read "Patrick Todd", written over a horizontal line.

Patrick Todd

DOCKET NO. 48250

APPLICATION OF STANLEY LAKE	§	
MUNICIPAL UTILITY DISTRICT TO	§	
AMEND CERTIFICATES OF	§	
CONVENIENCE AND NECESSITY AND	§	PUBLIC UTILITY COMMISSION
TO DECERTIFY PORTIONS OF SC	§	
UTILITIES AND T&W WATER	§	OF TEXAS
SERVICE COMPANY'S CERTIFICATED	§	
SERVICE AREAS IN MONTGOMERY	§	
COUNTY	§	

PROPOSED NOTICE OF APPROVAL

This Notice of Approval addresses the application of Stanley Lake Municipal Utility District (Stanley Lake) to amend Certificates of Convenience and Necessity (CCN) Nos. 11222 (water) and 20483 (sewer) and to decertify a portion of T&W Water Service's (T&W) CCN No. 12892 and SC Utilities' (SC) CCN No. 20586 service area in Montgomery County. The Commission amends CCN No. 11222, 20483, 12892 and 20586.

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

I. FINDINGS OF FACT

Applicant

1. Stanley Lake provides water services to an area in Montgomery County under water CCN No. 11222.
2. Stanley Lake provides sewer services to an area in Montgomery County under sewer CCN No. 20483.

The Application

3. On April 10, 2018, Stanley Lake filed an application to amend its CCNs and to decertify a portion of the certificated service area of T&W Water Service and SC Utilities in Montgomery County, Texas.
4. The requested amendment reflects the addition of 739 total acres, including 9 acres decertified from T&W and 6 current customers for water service.
5. The requested amendment reflects the addition of 739 total acres, including 9 acres decertified from SC and 6 current customers for sewer service.

6. Stanley Lake seeks an amendment to its water CCN No. 11222 to provide water services for six business customers.
7. The requested area is located approximately 12 miles northwest of Conroe, TX.
8. Granting Stanley Lake's CCN amendment will eliminate the need for installation of individual wells by landowners.
9. Stanley Lake is providing adequate water service to the requested area through approved Texas Commission on Environmental Quality (TCEQ) public water system Nos. 1700097.
10. Stanley Lake is providing adequate sewer service to the requested area through approved Texas Commission on Environmental Quality (TCEQ) discharge permit Nos. 11367-700.
11. TCEQ Central Registry and Drinking Water Watch verified that Stanley Lake resolved all outstanding violations.
12. Granting Stanley Lake's CCN amendments will not adversely affect landowners in the area or any retail public utility service provider in the proximate area.
13. The consideration of an adjacent retail utility to serve the area is not applicable, since there is an agreement between Stanley Lake, SC Utilities and T&W Water Service Company to update its CCN boundaries.
14. Granting Stanley Lake's CCN amendment will not adversely impact the environmental integrity of the requested area because the effect on the land will be minimally impacted from the Applicant providing water and sewer services to the requested area as it develops.
15. Stanley Lake will continue to serve customers in the requested area using its existing facilities.
16. Stanley Lake has demonstrated that it has the financial resources to Operate and manage the utility and the ability to provide continuous and adequate service to the requested area.
17. Granting Stanley Lake's CCN amendment will not result in changes to existing rates.
18. In Order No. 1 issued on April 17, 2018, the administrative law judge (ALJ) ordered Commission Staff to provide comments on administrative completeness of the application and the proposed notice.
19. On May 10, 2018, Commission Staff filed a recommendation that the application be found administratively complete. In Order No. 2, issued on May 21, 2018, the ALJ found the application administratively complete and ordered Stanley Lake to provide notice in accordance with Commission Staff's recommendation.

20. On July 5, 2018, Commission Staff recommended finding notice deficient because Stanley Lake failed to file affidavits of notice.
21. In Order No. 3, issued on July 9, 2018, the ALJ extended the deadline for Stanley Lake to file the affidavits of notice to July 19, 2018.
22. On July 23, 2018, Stanley Lake filed affidavits of notice.
23. On August 1, 2018, Commission Staff filed a recommendation that notice is sufficient.
24. In Order No. 4 issued on August 3, 2018, the ALJ found notice sufficient.
25. On September 20, 2018, Stanley Lake filed a signed consent forms for itself and T&W concurring with the maps and certificates as prepared by Commission Staff.
26. On September 21, 2018, Order No. 5 extended the deadlines for filing consent forms, filing a final recommendation or requesting a hearing, and filing a joint proposed notice of approval.
27. On October 2, 2018, Stanley Lake filed a signed consent forms for SC concurring with the maps and certificates as prepared by Commission Staff.
28. On October 31, 2018, Commission Staff recommended approval of Stanley Lake's application.
29. On November ____, 2018, Order No. 6 extended the deadline for filing the joint proposed notice of approval until November 16, 2018.
30. On November ____, 2018, Stanley Lake and Commission Staff filed a joint motion to admit evidence and proposed order.
31. On _____, 2018, Order No. 7 was entered admitting evidence into the record of this proceeding.

Notice

32. Notice of the application appeared in the April 27, 2018 issue of the *Texas Register*.
33. On July 23, 2018, Stanley Lake filed a publisher's affidavit affirming publication of notice of the application in *The Conroe Courier* on May 30, 2018 and June 6, 2018.
34. On July 23, 2018, Stanley Lake filed an affidavit affirming completion of mailed notice of the application on June 1, 2018.
35. The comment period ended July 6, 2018, and the Commission did not receive any protests or any landowner opt-outs.

Evidence

On _____, the ALJ admitted the following into evidence: Stanley Lake's application filed April 10, 2018; Notice of the application published in the Texas Register on April 27, 2018; Stanley Lakes' affidavit of proof of notice filed July 23, 2018; T&W's consent to the final map and certificates filed on September 20, 2018; SC's consent to the final map and certificate filed on October 2, 2018; Stanley Lakes' consent to the final map and certificates filed October 2, 2018; and Commission Staff's final recommendation filed on October 31, 2018.

Informal Disposition

36. More than 15 days have passed since completion of all notice required for this docket.
37. No protests, motions to intervene, or requests for hearing were filed.
38. Stanley Lake and Commission Staff are the only parties to this proceeding.
39. No issues of fact or law remain disputed by any party.

II. CONCLUSIONS OF LAW

1. The Commission has jurisdiction over Stanley Lake's application under Texas Water Code (TWC) §§ 13.041, 13.241, 13.244, and 13.246.¹
2. Stanley Lake is a retail public utility as defined in TWC § 13.002(19) and 16 TAC § 24.3(59).
3. Public notice of the application was provided in compliance with TWC § 13.246 and 16 Texas Administrative Code (TAC) § 24.106 (now §24.235).
4. The application was processed in accordance with the Administrative Procedure Act,² TWC, and Commission rules.
5. After considering the factors in TWC § 13.246(c), Stanley Lake is entitled to approval of the application, having demonstrated adequate financial, managerial, and technical capability for providing continuous and adequate service to the requested areas and its current service area as required by TWC § 13.241.

¹ Tex. Water Code Ann §§ 13.041, 13.241, 13.244, and 13.246 (West 2008 & Supp. 2018).

² Tex. Gov't Code Ann. §§ 2001.001-.902 (West 2016 & Supp. 2018).

6. Approval of the application is necessary for the service, accommodation, convenience, or safety of the public as required 16 TWC § 13.246(b) and 16 TAC § 24.102(c) (now § 24.227(c)).
7. Under TWC § 13.257(r) and (s), Stanley Lake is required to record a certified copy of the approved CCNs 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 (now § 24.47) 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 Stanley Lake's application, as supplemented.
2. The Commission amends Stanley Lake's CCNs Nos. 11222 (water) and 20483 (sewer) in accordance with this Notice.
3. The Commission amends T&W Water Service's CCN No. 12892 and SC Utilities' CCN No. 20586 in accordance with this Notice.
4. The Commission's official service area boundary maps for Stanley Lake, T&W and SC shall reflect this change as shown on the attached maps.
5. Stanley Lake shall serve every customer and applicant for service within the areas certified under its CCNs, and such service shall be continuous and adequate.
6. Stanley Lake shall comply with the recording requirements in TWC § 13.257(r) and (s) for the area 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.
7. All other motions and any other requests for general or specific relief, if not expressly granted herein, are denied.

Signed at Austin, Texas the _____ day of _____ 2018.

PUBLIC UTILITY COMMISSION OF TEXAS

**MAYSON PEARSON
ADMINISTRATIVE LAW JUDGE**