



Control Number: 48328



Item Number: 18

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RECEIVED

APPLICATION OF EL PASO WATER §
 UTILITIES PUBLIC SERVICE BOARD §
 TO DECERTIFY A PORTION OF ITS §
 CERTIFICATES OF CONVENIENCE §
 AND NECESSITY IN EL PASO §
 COUNTY §

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 PUBLIC UTILITY COMMISSION
 PUBLIC UTILITY COMMISSION
 FILING CLERK
 OF TEXAS

NOTICE OF APPROVAL

This Notice of Approval addresses the application of the El Paso Water Utilities Public Service Board to amend its water and sewer certificates of convenience and necessity (CCN) to decertify 342 acres of water service area and 487 acres of sewer service area from its service area in El Paso County. The Commission approves the application and amends El Paso Water's water CCN number 10211 and sewer CCN number 21008.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

1. El Paso Water is a municipally-owned utility established by a City of El Paso ordinance in 1952.
2. El Paso Water operates, maintains, and controls facilities for water service under CCN number 10211 and wastewater service under CCN number 21008 in El Paso County.

Application

3. On May 1, 2018, El Paso Water filed an application to decertify portions of its water CCN number 10211 and sewer CCN number 21008 in El Paso County.
4. The requested areas for decertification include 342 acres of water service area and 487 acres of sewer service area.
5. El Paso Water has no current customers and no utility infrastructure in the areas requested for decertification.

6. The proposed areas are approximately 2.5 miles north of downtown Horizon City and are generally bounded on the north by Pellicano Road, on the east by La Joya Road, on the south by Paseo del Este Drive, and on the west by Berryville Street.
7. Horizon Regional Municipal Utility District (Horizon Regional MUD) has received a request for water and sewer service in the areas to be decertified.
8. In Order No. 2 issued on May 29, 2018, the administrative law judge (ALJ) found the application administratively complete.

Notice

9. Notice of the application appeared in the May 18, 2018 issue of the *Texas Register*.
10. On July 2, 2018, El Paso Water filed the affidavit of Denise Fregeolle-Burk attesting that notice was mailed to neighboring utilities, county authorities, municipalities, landowners, customers, and affected parties on June 6, 2018.
11. On July 2, 2018, El Paso Water filed a publisher's affidavit attesting to publication of notice in the *El Paso Times*, a newspaper of general circulation in El Paso County, on June 9 and 16, 2018.
12. In Order No. 3 issued on July 30, 2018, the ALJ found the notice sufficient.

Evidentiary Record

13. On October 15, 2018, Commission Staff and El Paso Water filed a motion to admit evidence.
14. In Order No. 4 issued on January 31, 2019, the ALJ admitted the following into evidence: (a) El Paso Water's application and attachments filed on May 1, 2018; (b) El Paso Water's proof of mailed and published notice filed on July 2, 2018; (c) El Paso Water's consent form filed on September 25, 2018; and (d) Commission Staff's final recommendation and attachments filed on October 3, 2018.

Adequacy of Existing Service – TWC § 13.246(c)(1), 16 TAC § 24.227(d)(1)

15. El Paso Water has an approved Texas Commission Environmental Quality (TCEQ) public water system, identification number 0710002 and approved TCEQ discharge permit numbers 15268.001, 10408.004, 10408.009, and 10408.10 to serve its existing customers.

Need for Additional Service – TWC § 13.246(c)(2), 16 TAC § 24.227(d)(2)

16. El Paso Water has received no requests for service in the areas to be decertified.
17. Horizon Regional MUD has received a request for water and sewer service in the areas to be decertified.
18. El Paso Water does not object to Horizon Regional MUD providing service in areas to be decertified.

Effect of Granting the Amendment – TWC § 13.246(c)(3), 16 TAC § 24.227(d)(2)

19. Because El Paso Water owns the areas requested for decertification, granting the CCN amendments will not adversely affect any other retail public utility of the same kind in the proximate area.
20. Granting El Paso Water's CCN amendments will enable Horizon Regional MUD to consider serving in the released areas.

Ability to Serve – TWC § 13.241(b); 16 TAC § 24.227(a)(1)

21. The ability of El Paso Water to provide adequate service to its existing customers will not be affected by the requested CCN amendments.
22. Horizon Regional MUD has existing utility infrastructure near the areas requested for decertification.

Ability to Serve: Financial Ability and Stability – TWC §§ 13.246(c)(6), 13.241(a), 16 TAC §§ 24.227(a), 24.227(d)(6), 24.11(e)

23. El Paso Water has a debt-to-equity ratio of less than one.
24. El Paso Water has a debt-service-coverage ratio of 2.18, which is greater than 1.25; is rated AA+ by Standard and Poor's and Fitch; and its comprehensive audited financial report shows no losses.

Service from Other Utilities – TWC § 13.241(c)(5); 16 TAC § 24.227(d)(5)

25. Because El Paso Water is releasing the requested areas, the feasibility of obtaining service from an adjacent retail public utility is not applicable.

Environmental Integrity – TWC § 13.246(c)(7), 16 TAC § 24.227(d)(7)

26. The environmental integrity of the land will not be affected as a result of the requested CCN amendments.

Improvement in Service and Lowering of Cost – TWC § 13.246(c)(8), 16 TAC § 24.227(d)(8)

27. No improvement of service or lowering of cost to consumers will result from granting the CCN amendments because no services are provided in the requested areas.

Effect on the Land – TWC § 13.246(c)(9), 16 TAC § 24.227(d)(9)

28. No effect on the land will occur as a result of the requested CCN amendments.

Maps and Certificates

29. On September 11, 2018, Commission Staff emailed its proposed maps and certificates to El Paso Water.
30. On September 25, 2018, El Paso Water filed its consent to the proposed maps and certificates.
31. On October 3, 2018, Commission Staff filed the proposed maps and certificates as an attachment to its recommendation.

Informal Disposition

32. More than 15 days have passed since completion of notice provided in this docket.
33. No person filed a protest or motion to intervene.
34. El Paso Water and Commission Staff are the only parties to the proceeding.
35. No party requested a hearing and no hearing is needed.
36. The decision is not adverse to any party.
37. Commission Staff recommended approval of the application.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. The Commission has jurisdiction over this application under Texas Water Code (TWC) §§ 13.241, 13.244, and 13.246.
2. El Paso Water 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 was provided in compliance 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,¹ TWC, and Commission rules.
5. The application meets the requirements in TWC §§ 13.241, 13.244, and 13.246, and 16 TAC §§ 24.227, 24.231, 24.233, and 24.235.
6. El Paso Water possesses adequate financial, managerial, and technical capability for providing continuous and adequate service to its current service areas as required by TWC § 13.241(a) and 16 TAC § 24.11(a).
7. The amendments to CCN numbers 10211 and 21008 are necessary for the service, accommodation, convenience, or safety of the public as required by TWC § 13.246(b) and 16 TAC § 24.227(c).
8. Under TWC § 13.257(r) and (s), El Paso Water is required to record a certified copy of the approved certificates and maps, along with a boundary description of the service areas, in the real property records of El Paso County and submit to the Commission evidence of the record.
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:

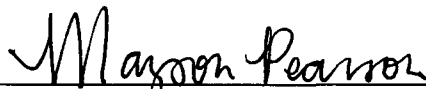
1. The Commission approves the application and amends El Paso Water's water CCN number 10211 and sewer CCN number 21008 as described in this Notice of Approval.
2. The Commission's official service-area boundary maps for El Paso Water will reflect this change as shown on the attached maps.
3. El Paso Water must serve every customer and applicant for service within the areas certified under its water and sewer CCNs, and such service must be continuous and adequate.

¹ Tex. Gov't Code §§ 2001.001—902

4. El Paso Water must comply with the recording requirements of TWC § 13.257(r) and (s) for the areas in El Paso County affected by this application.
5. El Paso Water must file in this docket proof of the recording required in ordering paragraph four not later than 45 days after the date of this Notice of Approval.
6. The Commission denies all other motions and any other requests for general or specific relief that have not been expressly granted.

Signed at Austin, Texas the 2nd day of July 2019.

PUBLIC UTILITY COMMISSION OF TEXAS



MAYSON PEARSON
ADMINISTRATIVE LAW JUDGE




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El Paso Water Utilities Public Service Board
 Portion of Water CCN No. 10211
 PUC Docket No. 48328
 Amended CCN No. 10211 in El Paso County



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

Water CCN

-  10211 - El Paso Water Utilities PSB
-  12127 - El Paso County
-  13137 - Paseo Del Este MUD No 1

0 625 1,250
 Feet



Map by Komal Patel
 Date created August 24, 2018
 Project Path: n:\finalmapping\
 48328ElPasoWaterUtilitiesWater.mxd



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El Paso Water Utilities Public Service Board
 Portion of Sewer CCN No. 21088
 PUC Docket No. 48328
 Amended CCN No. 21088 in El Paso County



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

Sewer CCN

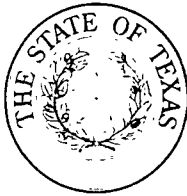
-  21008 - El Paso Water Utilities PSB
-  21014 - Paseo Del Este MUD No 1

0 625 1,250
 Feet



Map by Komal Patel
 Date created: August 24, 2018
 Project Path: n:\finalmapping\
 48328ElPasoWaterUtilitiesSewer.mxd

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Public Utility Commission of Texas

By These Presents Be It Known To All That

El Paso Water Utilities Public Service Board

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, El Paso Water Utilities Public Service Board, is entitled to this

Certificate of Convenience and Necessity No. 10211

to provide continuous and adequate water utility service to that service area or those service areas in El Paso County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 48328 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 El Paso Water Utilities Public Service Board, 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 2nd day of July 2019.



Public Utility Commission of Texas

By These Presents Be It Known To All That

El Paso Water Utilities Public Service Board

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, El Paso Water Utilities Public Service Board, is entitled to this

Certificate of Convenience and Necessity No. 21008

to provide continuous and adequate sewer utility service to that service area or those service areas in El Paso County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 48328 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 El Paso Water Utilities Public Service Board, 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.