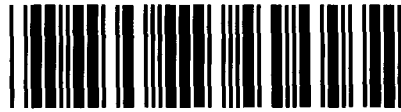




Control Number: 48491



Item Number: 9

Addendum StartPage: 0

RECEIVED

APPLICATION OF MSEC §
ENTERPRISES, INC. TO AMEND ITS §
WATER CERTIFICATE OF §
CONVENIENCE AND NECESSITY IN §
MONTGOMERY COUNTY §

PUBLIC UTILITY COMMISSION: 56
PUBLIC UTILITY COMMISSION
OF TEXAS FILING CLERK

**COMMISSION STAFF'S SUPPLEMENTAL RECOMMENDATION
ON ADMINISTRATIVE COMPLETENESS, NOTICE AND PROPOSED
PROCEDURAL SCHEDULE**

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Supplemental Recommendation on Administrative Completeness, Notice and Proposed Procedural Schedule, in response to Order No. 2. Staff recommends that the application be deemed sufficient for further review. In support thereof, Staff shows the following:

I. BACKGROUND

On June 26, 2018, MSEC Enterprises, Inc. (MSEC) filed an application to amend water certificate of convenience and necessity number (CCN) 12887 in Montgomery County. MSEC is seeking to amend its application to provide water service requested by the landowner in an area with no current retail water utility service. The affected service area requested includes approximately 40 acres and 0 customers. MSEC supplemented its application on August 23, 2018.

On July 27, 2018, the Administrative Law Judge (ALJ) issued Order No. 2, establishing a deadline of September 27, 2018 for Staff to file a supplemental recommendation on the administrative completeness of the application, the sufficiency of the proposed notice, and to propose a procedural schedule. Therefore, this pleading is timely filed.

II. ADMINISTRATIVE COMPLETENESS

As detailed in the attached memorandum from Jolie Mathis in the Commission's Water Utility Regulation Division, Staff has reviewed the supplemented application filed by MSEC and recommends that it be found administratively complete and accepted for filing.

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III. NOTICE

As detailed in the attached memorandum, Staff recommends that MSEC be directed to use the attached notice forms to publish notice once each week for two consecutive weeks in a newspaper of general circulation in Montgomery County, and to:

- 1) Provide an accurate map delineating the requested area with each individual notice to neighboring utilities, other affected parties, landowners and customers. Information related to districts including addresses can be obtained by the Applicant from the TCEQ's web site located at <http://www14.tceq.texas.gov/iwud/>
- 2) File in the docket a map and copy of notice along with an affidavit specifying every person and entity to whom notice was provided, the date that the notice was provided, and the publisher's affidavit for proof of newspaper publication. It is recommended that the Applicant use the attached notices and affidavits to meet these requirements.

IV. PROPOSED PROCEDURAL SCHEDULE

Staff proposes the following procedural schedule:

Event	Date
Deadline for MSEC to file with the Commission signed affidavits that the notice was given along with a copy of the notice sent to the affected parties and published in a newspaper of general circulation	November 12, 2018
Deadline for Staff to file a recommendation on sufficiency of notice	Within 10 days of MSEC filing proof of completed notice with the Commission
Deadline to intervene	30 days after notice is issued

V. CONCLUSION

For the reasons detailed above, Staff recommends that the application be found administratively complete, that MSEC be directed to provide notice as detailed above and in the attached memorandum, and that the procedural schedule proposed above be adopted.

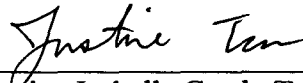
Dated: September 27, 2018

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Stephen Mack
Managing Attorney



Justine Isabelle Caedo Tan
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1701 N. Congress Avenue
P.O. Box 13326
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(512) 936-7163
(512) 936-7268 (facsimile)
Justine.Tan@puc.texas.gov

DOCKET NO. 48491

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on September 27, 2018, in accordance with 16 TAC § 22.74.



Justine Isabelle Caedo Tan

PUC Interoffice Memorandum

To: Justine Tan, Attorney
Legal Division

Thru: Lisa Fuentes, Manager
Water Utility Regulation Division

From: Jolie Mathis, Engineering Specialist
Water Utility Regulation Division

Date: September 25, 2018

Subject: *Docket 48491, Application of MSEC Enterprises, Inc. to Amend its Certificate of Convenience and Necessity (CCN) in Montgomery County*

On June 26, 2018, MSEC Enterprises, Inc. filed with the Public Utility Commission of Texas (Commission) an application to amend its water Certificate of Convenience and Necessity (CCN) No. 12887 in Montgomery County, Texas pursuant to Texas Water Code Ann. (TWC) §§ 13.242 to 13.250 and the 16 Tex. Admin Code (TAC) §§ 24.101 to 24.107.

A Staff review of the additional information filed by the applicant on August 23, 2018, found that it is sufficient in the required application and mapping information. Therefore, Staff recommends that the application be deemed sufficient for filing and found administratively complete. Staff further recommends the Applicant be ordered to do the following:

- 1) Provide notice of the application to the following:
 - a) cities, districts, and neighboring retail public utilities providing the same utility service whose corporate boundaries or certificated service area are located within two miles from the outer boundary of the requested area;
 - b) the county judge of each county that is wholly or partially included in the requested area;
 - c) each groundwater conservation district that is wholly or partially included in the requested area; and
 - d) landowners who own a tract of land that is at least 25 acres and is wholly or partly located in the requested area to be certified. The landowner information may be obtained from the county appraisal district tax rolls for the county or counties in which the requested area is located;
 - e) any affected customers, and other affected parties in the requested area; and

f) publish notice once each week for two (2) consecutive weeks in a newspaper of general circulation in Montgomery County.

2) Provide correct notice of the application to the following entities:

- Aqua Texas Inc (CCN No. 11157 & 13203)
- C & R Water Supply Inc (CCN No. 13098)
- City of Conroe (CCN No. 10339)
- Crystal Springs Water Co Inc (CCN No. 11373)
- Lake Forest Falls Inc (CCN No. 11443)
- Lake South WSC (CCN No. 12700)
- Lone Star GCD
- Montgomery County Judge
- Montgomery County MUD 42
- Montgomery County MUD 113
- Montgomery County MUD 121
- Nerro Supply Inc (CCN No. 12252)
- San Jacinto River Authority
- Woodland Oaks Utility Co Inc (CCN No. 12947)

3) Provide an accurate map delineating the requested service area with each individual notice to neighboring utilities, other affected parties, landowners, and customers. Information related to districts including addresses can be obtained by the Applicant from the TCEQ web site located at <http://www14.tceq.texas.gov/iwud/>.

4) Within 30 days of the date of the notice, file in the docket a map and copy of notice along with an affidavit specifying every person and entity to whom notice was provided, the date that the notice was provided, and the publisher's affidavit for proof of newspaper publication. It is recommended that the Applicant use the attached notices and affidavits to meet these requirements.

Please note, Staff may determine that additional information is needed to make a final recommendation in this docket. If additional information is needed Staff may send requests for information (RFI) to the Applicant(s). The Applicant(s) will have 20 days from the receipt of the RFI to respond unless modified by the Commission.

Notice for Publication

NOTICE OF APPLICATION TO AMEND A CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN MONTGOMERY COUNTY, TEXAS

MSEC Enterprises has filed an application with the Public Utility Commission of Texas to amend its Certificate of Convenience and Necessity (CCN) No. 12887 for the provision of retail Water utility service in Montgomery County.

The requested area is located approximately 7 mile(s) west of downtown Conroe, Texas, and is generally bounded on the north by a line 2200' north of FM 2854; on the east by a line 1300' west of Misty Haven Drive; on the south by FM 2854; and on the west by a line 2200' west of Misty Haven Drive. The total requested area includes approximately 40 acres and 0 current customers.

The requested area overlaps the boundaries of the Lone Star GCD. If Lone Star GCD does not request a public hearing, the Commission shall determine that the district is consenting to the MSEC Enterprises' request to provide retail Water utility service in the requested area.

A copy of the map showing the requested area is available at: 7625 Highway 6, Navasota, TX 77868

Persons who wish to intervene in the proceeding or comment upon action sought should contact the Public Utility Commission, P.O. Box 13326, Austin, Texas 78711-3326, or call the Public Utility Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. The deadline for intervention in the proceeding is (30 days from the mailing or publication of notice, whichever occurs later, unless otherwise provided by the presiding officer). You must send a letter requesting intervention to the commission which is received by that date.

If a valid public hearing is requested, the Commission will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, SOAH will submit a recommendation to the Commission for a final decision. An evidentiary hearing is a legal proceeding similar to a civil trial in state district court.

A landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the requested area, may file a written request with the Commission to be excluded from the requested area ("opt out") within (30) days from the date that notice was provided by the Utility. All opt out requests must include a large scale map and a metes and bounds description of the landowner's tract of land.

Persons who wish to request this option should file the required documents with the:

Public Utility Commission of Texas
Central Records
1701 N. Congress, P. O. Box 13326
Austin, TX 78711-3326

In addition, the landowner must also send a copy of the opt out request to the Utility. Staff may request additional information regarding your request.

Si desea información en español, puede llamar al 1-888-782-8477.

Notice to Neighboring Systems, Landowners, Customers and Cities
NOTICE OF APPLICATION TO AMEND A CERTIFICATE OF CONVENIENCE AND NECESSITY TO
PROVIDE WATER UTILITY SERVICE IN MONTGOMERY COUNTY, TEXAS

To: _____
(Neighboring System, Landowner, Customer or City)

(Address)

(City State Zip)

Date Notice Mailed: _____, 2018

MSEC Enterprises has filed an application with the Public Utility Commission of Texas to amend its Certificate of Convenience and Necessity (CCN) No. 12887 for the provision of retail Water utility service in Montgomery County.

The requested area is located approximately 7 mile(s) west of downtown Conroe, Texas, and is generally bounded on the north by a line 2200' north of FM 2854; on the east by a line 1300' west of Misty Haven Drive; on the south by FM 2854; and on the west by a line 2200' west of Misty Haven Drive. The total requested area includes approximately 40 acres and 0 current customers. **See enclosed map showing the requested area.**

The requested area overlaps the boundaries of the Lone Star GCD. If Lone Star GCD does not request a public hearing, the Commission shall determine that the district is consenting to the MSEC Enterprises' request to provide retail Water utility service in the requested area.

Persons who wish to intervene in the proceeding or comment upon action sought should contact the Public Utility Commission, P.O. Box 13326, Austin, Texas 78711-3326, or call the Public Utility Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. The deadline for intervention in the proceeding is (30 days from the mailing or publication of notice, whichever occurs later, unless otherwise provided by the presiding officer). You must send a letter requesting intervention to the commission which is received by that date.

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Si desea información en español, puede llamar al 1-888-782-8477.

PUBLIC UTILITY COMMISSION



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, LANDOWNERS, NEIGHBORING
UTILITIES AND AFFECTED PARTIES
DOCKET NO. **48491**

STATE OF TEXAS
COUNTY OF _____

_____ has provided individual
notice to the following entities, landowners and customers:

DATE OF NOTICE

OATH

I, _____, being duly sworn, file this form as
_____ (indicate relationship to applicant, that is,
owner, member of partnership, title of officer of corporation, or other authorized representative of
applicant); that in such capacity, I am qualified and authorized to file and verify such form, am
personally familiar with the notices given with this application, and have complied with all notice
requirements in the application and application acceptance letter; and that all such statements made
and matters set for therein are true and correct.

Applicant's Authorized Representative

If the applicant to this form is any person other than the sole owner, partner, officer of the applicant,
or its' attorney, a properly verified Power of Attorney must be enclosed.

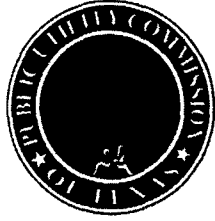
Subscribed and sworn to before me this _____ day of _____, 20____,
to certify which witness my hand and seal of office.

Notary Public in and for the State of Texas

Print or Type Name of Notary Public

Commission Expires _____

PUBLIC UTILITY COMMISSION



PUBLISHER'S AFFIDAVIT
DOCKET NO. **48491**

STATE OF TEXAS
COUNTY OF _____

Before me, the undersigned authority, on this day personally appeared _____,

who being by me duly sworn, deposes and that (s)he is the

_____ of the _____
(TITLE) (NAME OF NEWSPAPER)

that said newspaper is regularly published in _____
(COUNTY/COUNTIES)

and generally circulated in _____, Texas;
(COUNTY/COUNTIES)

and that the attached notice was published in said newspaper on the following dates, to wit:

(DATES)

(SIGNATURE OF NEWSPAPER REPRESENTATIVE)

Subscribed and sworn to before me this _____ day of _____, 20____
to certify which witness my hand and seal of office.

Notary Public in and for the State of Texas

Print or Type Name of Notary Public

Commission Expires _____