



Control Number: 48506



Item Number: 27

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DOCKET NO. 48506

**APPLICATION OF THE CITY OF
CELINA TO AMEND A SEWER
CERTIFICATE OF CONVENIENCE
AND NECESSITY IN COLLIN
COUNTY**

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**PUBLIC UTILITY COMMISSION
OF TEXAS**
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PUBLIC UTILITY COMMISSION
CLERK

NOTICE OF APPROVAL

This Notice of Approval addresses the application of the City of Celina to amend its sewer certificate of convenience and necessity (CCN) to add 28,806 acres of land in Collin County. The Commission approves the application and amends the City's sewer CCN number 20764 to include 28,382 additional acres.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

1. The City is a municipally-owned utility that provides sewer service under CCN number 20764 in Collin County.
2. The sewer service currently provided by the City includes 13,946 acres of service area with 1,580 customers.
3. The City has a wastewater treatment plant permit registered with the Texas Commission on Environmental Quality (TCEQ) under WQ0014246001.

Application

4. On July 3, 2018, the City filed an application to amend its sewer CCN number 20764.
5. The City seeks to conform the boundaries of its CCN to areas it intends to serves. The proposed service area addition include 28,806 acres. There are no current customers in the proposed service area addition. The City proposes to provide service for up to 2,000 future customers in the area.
6. The proposed service area addition is located approximately three-quarters of a mile north, east, and south of downtown Celina, and is generally bounded on the north by Colin and

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Grayson county line, on the east by Honey Creek, on the south by Frontier Parkway, and on the west by Collin and Denton county line.

7. The Commission received five opt-out requests from landowners within the proposed service area. The opted-out areas constitute approximately 424 acres.
8. In Order No. 2 issued August 6, 2018, the administrative law judge (ALJ) found the application administratively complete.
9. On November 13, 2018, the City filed revised mapping and digital data from landowners who requested to opt-out from the requested service are in response to an amended procedural schedule issued by Commission Staff on October 12, 2018. The revised area includes 28,382 acres, which includes 5,640 acres within the City's corporate limits, 17,732 acres within the City's extraterritorial jurisdiction (ETJ) and 5,010 acres not within the corporate limits, or extraterritorial jurisdiction of a municipality.
10. On December 17, 2018, the City filed a consent concurring with the map and certificate as prepared by Commission Staff.

Notice of Application

11. Notice of the application appeared in the July 27, 2018 issue of the *Texas Register*.
12. On October 2, 2018, Justin Thomas on behalf of the City filed an affidavit, attesting that notice to neighboring systems, landowners, and cities, and affected parties was mailed on August 27, 2018.
13. On October 2, 2018, the City provided proof that notice of the application was sent, including an affidavit of notice to current customers, landowners, neighboring utilities, and affected parties sent on August 27, 2018, and a publisher's affidavit affirming that notice was published in *The Celina Record* in Collin County on September 7, 2018 and September 14, 2018.
14. In Order No. 3 issued October 11, 2018, the ALJ found the notice sufficient.

Evidentiary Record

15. On March 6, 2019, Commission Staff and City of Celina filed a joint motion to admit evidence.

16. In Order No. 6 issued May 2, 2019, the ALJ admitted the following evidence into the record: (a) the City's application and all attachments filed July 3, 2018, as supplemented on November 13, 2018; (b) the notices, affidavits, and proof of notice filed on October 2, 2018; (c) the City's consent form concurring with the final map and certificate filed on December 17, 2018; and (d) Commission Staff's final recommendation filed on January 18, 2019.

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

17. There are no existing sewer customers in the proposed service area because no sewer service is available in the area.

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

18. The City has projected an increase in population in the near future.
19. The City is proposing an additional 2,000 connections in the proposed service area.

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

20. The areas that currently do not have sewer services will be provided with sewer upon future growth, and the City assumes responsibility for infrastructure, construction and maintenance.
21. Granting the amendment will have no effect on any other retail public utility servicing the area and no other utility provides sewer service to the area.
22. The Commission received no protests or comments from any other retail public utility.

Ability to Serve: Managerial and Technical—TWC §§ 13.246(c)(4), 13.241(a), 16 TAC §§ 24.227(a), 24.227(d)(4)

23. The City's collection system and sewer treatment plant has no unresolved TCEQ violations.
24. The City currently provides sewer service to 1,580 customers.
25. The City's existing TCEQ plant and permit has excess capacity to provide sewer service for the proposed connections in the proposed service area addition.
26. The City has the ability to expand its plant and amend its permit for additional capacity.

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)

27. The City has the financial ability and financial stability to pay for facilities necessary to provide continuous and adequate service to the proposed service area.
28. The City's meets the debt-service-coverage ratio with ratio of 1.48.
29. The City has sufficient available cash available to cover any projected operations and occur maintenance shortages.

Financial Assurance—TWC § 13.246(d), 16 TAC § 24.227(e)

30. There is no need to require the City to provide a bond or other financial assurance to ensure continuous and adequate service.

Service from Other Utilities—TWC § 13.246(c)(5), 16 TAC § 24.227(d)(5)

31. It is not feasible for an adjacent utility to serve the proposed service area addition because most of the area is within the City's ETJ.

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

32. The environmental integrity of the land may be minimally affected by future construction.

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

33. There will be minimal impacts to the land with future growth and development due to excavation needed to install sewer services.

Improvement in Service—TWC § 13.246(c)(8), 16 TAC § 24.227(d)(8)

34. Granting the amendment will enable the City to provide sewer service where none is currently available.

Lowering of Cost—TWC § 13.246(c)(8), 16 TAC § 24.227(d)(8)

35. Granting the amendment will allow customers the choice to purchase sewer service in place of private septic systems.

Certificate and Map

36. On December 12, 2018, Commission Staff emailed its proposed certificate and map to the City.
37. On December 17, 2018, the City filed its consent to the proposed certificate and map.

38. On January 18, 2019, Commission Staff filed the proposed certificate and map as an attachment to its final recommendation.

Informal Disposition

39. More than 15 days have passed since the completion of notice provided in this docket.
40. No person filed a protest or motion to intervene.
41. The City and Commission Staff are the only parties to this proceeding.
42. No party requested a hearing and no hearing is needed.
43. Commission Staff recommended approval of the application.
44. This decision is not adverse to any party.

Opt-Out Requests

45. On September 18, 2018, Ta Properties II, Joseph M. Gerrity, Craig and Carol Singer filed opt-out requests.
46. On September 24, 2018, Margaret Ingalls filed an opt-out request.
47. On September 25, 2018, Mullaney Revocable Trust filed an opt-out request.

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) §§ 13.041, 13.241, 13.244, 13.246, and 13.248.
2. The City 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 Administrative Procedure Act,¹ the TWC, and Commission rules.

¹ Administrative Procedure Act, Tex. Gov't Code §§ 2001.001–.902.

5. The City possesses the financial, managerial, and technical capability to provide continuous and adequate service to the proposed service area in Collin County as required by TWC § 13.241 and 16 TAC § 24.227.
6. The amendment to CCN number 20764 is necessary for the service, accommodation, convenience, or safety of the public as required by TWC § 13.246(b) and 16 TAC § 24.227(c).
7. The City must record a certified copy of the approved map for the certificate amendment, along with a boundary description of the service area, in the real property records of Collins County within 31 days of receiving this Notice of Approval 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.

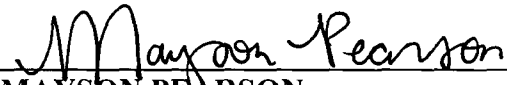
III. Ordering Paragraphs

In accordance with the preceding findings of fact and conclusions of law, the Commission issues the following orders:

1. The Commission amends the City of Celina's sewer CCN number 20764 to include the proposed service area addition as described and shown on the map attached to this Notice of Approval.
2. The Commission grants the certificate attached to this Notice of Approval.
3. The City must provide service to every customer and applicant for service within the area certified under CCN number 20764, and such service must be continuous and adequate.
4. The City must comply with the recording requirements in TWC § 13.257(r) and (s) for the area in Collin County affected by the application.
5. The City must file in this docket proof of the recording required in ordering paragraph 4 not later than 45 days after the date of this Notice of Approval.
6. The Commission denies all motions and any other requests for general or specific relief that have not been expressly granted.

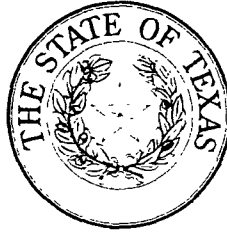
Signed at Austin, Texas the 4th day of June 2019.

PUBLIC UTILITY COMMISSION OF TEXAS



MAYSON PEARSON
ADMINISTRATIVE LAW JUDGE

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Public Utility Commission of Texas

By These Presents Be It Known To All That

City of Celina

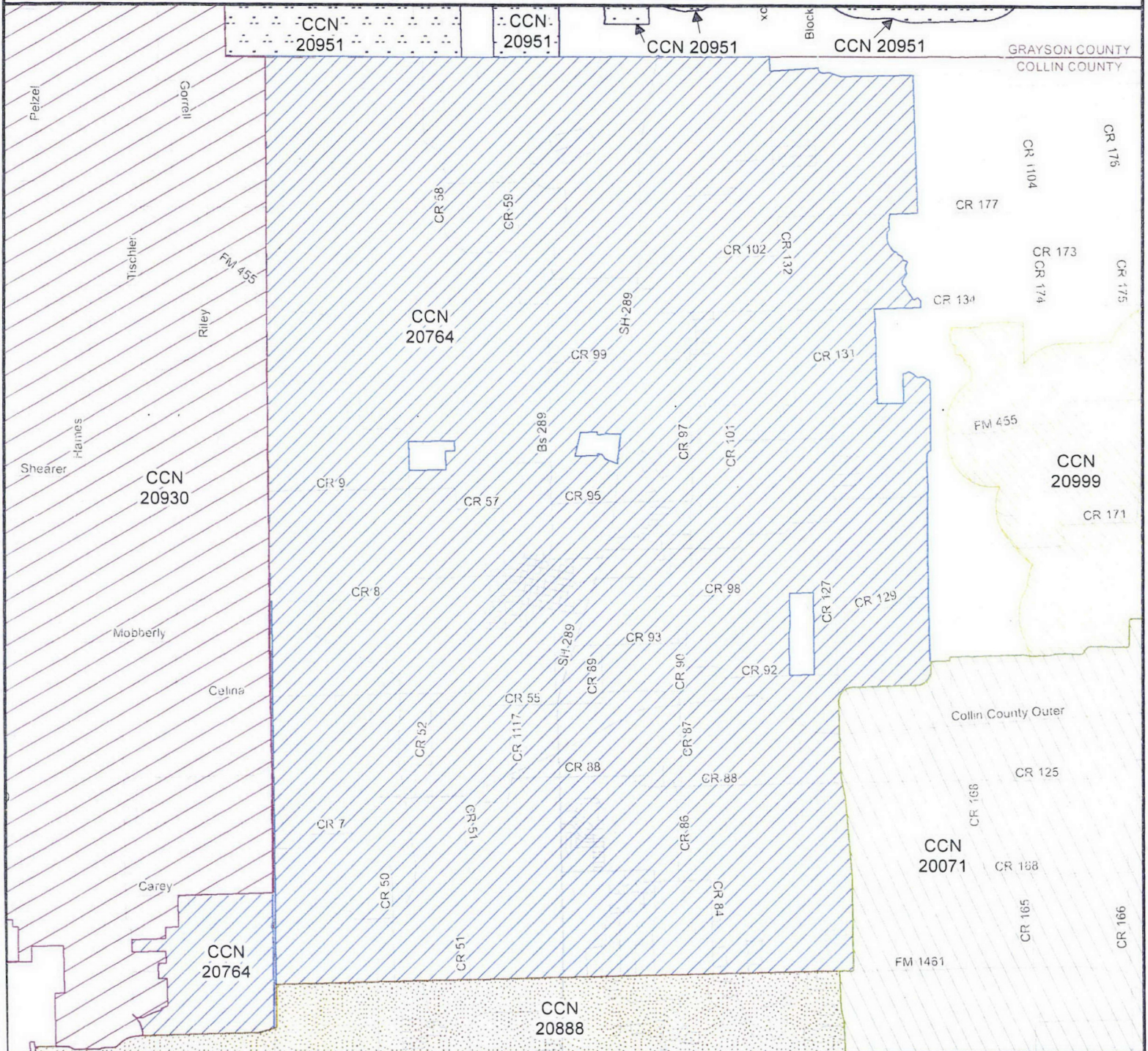
having obtained certification to provide sewer utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, City of Celina is entitled to this

Certificate of Convenience and Necessity No. 20764

to provide continuous and adequate sewer utility service to that service area or those service areas in Collin County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 48506 are on file at the Commission offices in Austin, Texas; and are a matter of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of City of Celina 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, the 4th day of June 2019.

**City of Celina
Sewer CCN No. 20764
PUC Docket No. 48506
Amended CCN No. 20764 in Collin County**



Sewer CCN

-  20764 - City of Celina
-  20951 - City of Gunter
-  20999 - City of Weston
-  20071 - City of McKinney
-  20888 - City of Prosper
-  20930 - Mustang SUD

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Feet



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

Map by: Komal Patel
Date created: December 7, 2018
Project Path: n:\finalmapping\48506CityofCelina.mxd

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