

Control Number: 49043



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SOAH DOCKET NO. 473-19-2805 WS

PUC DOCKET NO. 49043

2019 FEB 21 PM 2: 55

**PETITION OF THE CITIES OF
GARLAND, MESQUITE, PLANO AND
RICHARDSON APPEALING THE
DECISION BY NORTH TEXAS
MUNICIPAL WATER DISTRICT
AFFECTING 2019 WHOLESALE
WATER RATES**

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BEFORE THE STATE OFFICE

FILED FILING CLERK

OF

ADMINISTRATIVE HEARINGS

SOAH ORDER NO. 1

**CASE DESCRIPTION; GRANTING MOTIONS TO INTERVENE; AND RELATED
CASES AND ABATEMENT OF THIS CASE**

I. CASE DESCRIPTION

On December 20, 2018, the cities of Garland, Mesquite, Plano and Richardson (Cities) filed a petition appealing the North Texas Municipal Water District's (District) wholesale water rates for the 2019 fiscal year (Petition) pursuant to Texas Water Code § 13.043(f) and 16 Texas Administrative Code §§ 24.128-.138. The Petition challenges the District's decision affecting the amount to be paid for wholesale water service that was effective on September 28, 2018, and alleges that the rates charged are unreasonably preferential, prejudicial, or discriminatory, and adversely affect the public interest.

The Public Utility Commission of Texas (Commission) will consider this case and possibly adopt a preliminary order at its March 13, 2019 open meeting. The Commission has jurisdiction pursuant to Texas Water Code § 13.043.

On February 19, 2019, the Commission referred this case to the State Office of Administrative Hearings (SOAH), requesting the assignment of an Administrative Law Judge (ALJ) to conduct a hearing and issue a proposal for decision, if such is necessary. SOAH has jurisdiction over matters relating to the conduct of the hearing in this proceeding pursuant to Texas Government Code § 2003.049.

II. GRANTING MOTIONS TO INTERVENE

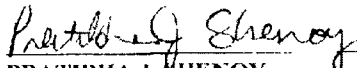
The cities of Frisco and Forney filed motions to intervene on January 30, 2019. The cities of Allen, Farmersville, Princeton, and Wylie filed motions to intervene on

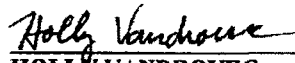
January 31, 2019. No responses to the motions to intervene were filed. Therefore, motions to intervene by the cities of Frisco, Forney, Allen, Farmersville, Princeton, and Wylie are **GRANTED**.

III. RELATED CASES AND ABATEMENT OF THIS CASE

Two related cases are currently pending at SOAH. SOAH Docket No. 473-17-4964.WS/Commission Docket No. 46662 is the Cities' appeal of the District's fiscal year 2017 rates (the 2017 Appeal). The ALJs convened a hearing on the 2017 Appeal October 15-18, 2018. The record for the 2017 Appeal closed on January 18, 2019. SOAH Docket No. 473-18-1905.WS/Commission Docket No. 47863 is the Cities' appeal of the District's fiscal year 2018 rates (the 2018 Appeal). The 2018 Appeal was abated pursuant to 16 Texas Administrative Code § 24.137.¹ This rule provides that if the Commission finds a protested rate adversely affects the public interest and sets rates on a cost of service basis, then subsequent dockets will proceed directly to an evidentiary hearing to determine a rate consistent with chapters 12 and 13 of the Texas Water Code, without requiring a public interest inquiry. On the other hand, if the Commission determines that the protested 2017 rate does not adversely affect the public interest, the District may pursue a motion to dismiss or other action related to the 2018 Appeal and this case. Therefore, pursuant to 16 Texas Administrative Code § 24.319, this case is **ABATED** until otherwise ordered.

SIGNED February 21, 2019.


PRATIBHA J. SHENOY
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS


HOLLY VANDROVEC
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS

¹ This rule is now located at 16 Texas Administrative Code § 24.319, effective October 17, 2018.