



Control Number: 49263



Item Number: 65

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DOCKET NO. 49263

RECEIVED

APPLICATION OF THE CITY OF §  
FLORESVILLE TO AMEND A §  
WATER CERTIFICATE OF §  
CONVENIENCE AND NECESSITY IN §  
WILSON COUNTY §

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PUBLIC UTILITY COMMISSION  
PUBLIC UTILITY COMMISSION  
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OF TEXAS

## ORDER

This Order addresses the application filed by the City of Floresville to amend its water certificate of convenience and necessity (CCN) number 10688 in Wilson County. The Commission amends CCN number 10688 to the extent provided in this Order.

### I. Findings of Fact

The Commission makes the following findings of fact.

#### Applicant

1. Floresville is a municipally owned utility.
2. Floresville operates, maintains, and controls facilities for providing water service in Wilson County under water CCN number 10688.
3. Floresville owns and operates a public water system registered with the Texas Commission on Environmental Quality (TCEQ) under public water system identification number 2470001 in Wilson County.

#### Application

4. On February 26, 2019, Floresville filed the application at issue in this proceeding.
5. Floresville filed supplements to the application on April 25, 2019 and July 23, 2019.
6. Floresville seeks to conform the boundaries of its CCN to areas it already serves. The proposed service area addition includes approximately 4,201 acres and 171 customers.
7. The total requested area is located approximately two miles north, south, east, and west of downtown Floresville, Texas, and is generally bounded on the north by County Road 130 and County Road 302; on the east by County Road 402; on the south by Pajarito Creek; and on the west by San Antonio River.

8. No opt-out requests were received from customers within the proposed service area.
9. In Order No. 3 filed on May 31, 2019, the administrative law judge (ALJ) deemed the application administratively complete.
10. On August 25, 2020, the ALJ filed Order No. 15, requiring Floresville to provide sufficient evidence to enable the Commission to determine if Floresville demonstrated a need to provide service for the entire service area proposed in the application. Specifically, Floresville was required to provide an updated map depicting the following: proposed service area; boundaries of Floresville's city limits; boundaries of Floresville's extraterritorial jurisdiction city, county, state, and federal roads, highways, and other similar routes; and locations of prospective customers requesting new service who are located outside Floresville's city limits.
11. On November 12, 2020, Floresville filed its first revised map exhibit in response to Order No. 15.
12. On November 30, 2020, Floresville filed its second revised map exhibit in response to Order No. 15.
13. On December 11, 2020, Floresville filed its third revised map exhibit in response to Order No. 15.
14. On December 29, 2020, Commission Staff filed a status report and recommended that there was no need to revise its July 16, 2020 final recommendation and that the application be approved.

**Notice**

15. On December 11, 2019, Floresville filed the publisher's affidavit attesting that notice of the application was published on October 2 and October 9, 2019 in *The Wilson County News*, a newspaper of general circulation in Wilson County.
16. On February 14, 2020, Floresville filed the affidavit of Henrietta Turner, city manager of the Floresville, attesting that on February 3, 2020, notice of the application was sent to Floresville's current customers, landowners, neighboring utilities, and affected parties.

17. In Order No. 12, filed on April 9, 2020, the ALJ found the notice of the application sufficient.

**Map and Certificate**

18. On June 25, 2020, Commission Staff emailed its proposed map and certificate to Floresville.
19. On July 1, 2020, Floresville filed its consent to the proposed map and certificate.
20. On July 16, 2020, Commission Staff filed the proposed map and certificate as an attachment to its recommendation.

**Evidentiary Record**

21. On July 23, 2020, Floresville and Commission Staff filed a joint proposed notice of approval and motion to admit evidence.
22. In Order No. 14 filed on July 30, 2020, the ALJ admitted the following evidence into the record of this proceeding: (a) the application filed on February 26, 2019; (b) the amended application filed on April 25, 2019; (c) Floresville's proof of public notice filed on December 11, 2019; (d) Floresville's proof of notice to current customers, landowners, neighboring utilities, and affected parties filed on February 14, 2020; (e) Floresville's response to the November 20, 2019 opt-out request filed on May 7, 2020; (f) Floresville's consent form, filed on July 1, 2020, concurring with the final map and certificate transmitted by email on June 25, 2020; (g) Commission Staff's final recommendation filed on July 16, 2020; and (h) the final map and certificate, filed on July 23, 2020, attached to the joint proposed notice of approval.
23. In Order No. 21 filed on February 17, 2021, the ALJ admitted the following evidence into the record of this proceeding: (a) the first map exhibit in response to Order No. 15, filed on November 12, 2020; (b) the second map exhibit in response to Order No. 15, filed on November 30, 2020; (c) the third map exhibit in response to Order No. 15, filed on December 11, 2020; and (d) Commission Staff's comments on the sufficiency of the revised mapping information, filed on December 29, 2020.

*Adequacy of Existing Service—Texas Water Code (TWC) § 13.246(c)(1); 16 Texas Administrative Code (TAC) § 24.227(e)(1)*

24. The requested area is already being adequately served by Floresville.

*Need for Additional Service—TWC § 13.246(c)(2); 16 TAC § 24.227(e)(2)*

25. Floresville is currently providing service to 171 existing customers in the requested area.

26. The requested area is currently not within any other water utility's service area and generally encompasses existing customers and infrastructure served by Floresville.

*Effect of Granting the Amendment—TWC § 13.246(c)(3); 16 TAC § 24.227(e)(3)*

27. The granting of the proposed CCN amendment will not substantially affect any landowner or retail public utility and will only obligate Floresville to provide retail water service to landowners within the proposed service area.

28. Nearby utilities were properly noticed and no protests or motions to intervene were filed by other utilities.

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

29. Floresville has sufficient capacity to serve the requested area and no additional construction is necessary.

30. Floresville has not been subject to an enforcement action by the Commission or TCEQ in the past five years for non-compliance with rules, orders, or statutes.

31. Floresville has access to an adequate supply of water and is capable of providing drinking water that meets the requirements of chapter 341 of the Texas Health and Safety Code, the rules of the TCEQ, and the TWC.

32. Floresville has a sufficient number of licensed operators and the managerial and technical capability to provide continuous and adequate service to the requested area. Among other things, this is demonstrated by the fact that Floresville already provides service to the requested area.

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

33. Floresville currently has a BBB- credit rating from Standard & Poor's Financial Services LLC, satisfying the leverage test.
34. Floresville has demonstrated that it has sufficient cash on hand to cover any projected operations and maintenance shortages during the first five years of operations, satisfying the operations test.
35. Floresville has the financial ability and stability to provide continuous and adequate service to the requested area.

**Financial Assurance—TWC § 13.246(d); 16 TAC § 24.227(f)**

36. There is no need to require Floresville to provide a bond or other financial assurance to ensure continuous and adequate service.

**Regionalization or Consolidation—TWC § 13.241(d); 16 TAC § 24.227(b)**

37. Floresville will not need to construct a physically separate water system to serve the requested area because it currently provides service to the requested area.

**Feasibility of Obtaining Service from Other Utilities—TWC § 13.246(c)(5); 16 TAC § 24.227(e)(5)**

38. It is not feasible for an adjacent utility to provide service to the requested area because Floresville already provides service to the requested area and has the facilities in place to serve the requested area.

**Environmental Integrity and Effect on the Land—TWC § 13.246(c)(7) and (c)(9); 16 TAC § 24.227(e)(7) and (e)(9)**

39. The proposed CCN amendment will not adversely affect the environmental integrity of the land or have an adverse effect on the land because no additional construction will be needed to provide service to the requested area.

**Improvement in Service or Lowering of Cost —TWC § 13.246(c)(8); 16 TAC § 24.227(e)(8)**

40. No change in service is expected as a result of the amendment.
41. No lowering of costs is expected for existing customers as a result of the CCN amendment. Customers will continue to be charged the existing rates.

**Informal Disposition**

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

**II. Conclusions of Law**

The Commission makes the following conclusions of law.

1. The Commission has authority over this proceeding under TWC §§ 13.241, 13.244, and 13.246.
2. Floresville is a retail public utility as defined in TWC § 13.002(19) and 16 TAC § 24.3(31).
3. Notice of the application was provided in compliance with TWC § 13.246 and 16 TAC § 24.235.
4. The application meets the requirements set forth in TWC § 13.244(d) and 16 TAC § 24.227(c).
5. Regionalization and consolidation concerns under TWC § 13.241(d) do not apply in this proceeding because construction of a physically separate water system is not required.
6. The Commission processed the application as required by the TWC, the Administrative Procedure Act<sup>1</sup>, and Commission rules.
7. After considering the factors in TWC § 13.246(c) and 16 TAC § 24.11(e) and 24.227(e), Floresville has demonstrated adequate financial, managerial, and technical capability to provide continuous and adequate service to the requested service area as required by TWC § 13.241 and 16 TAC § 24.227.

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<sup>1</sup> Tex. Gov't Code §§ 2001.001–.903.

8. Floresville has demonstrated that the amendment of its water CCN number 10688 will serve the public interest and is necessary for the service, accommodation, convenience, or safety of the public, as required by TWC § 13.246(b) and 16 TAC § 24.227(d).
9. It is not necessary for Floresville to provide a bond or other financial assurance under TWC § 13.246(d) or 16 TAC § 24.227(f).
10. Floresville's water system is capable of providing water service that meets the requirements of chapter 341 of the Texas Health and Safety Code, the rules of the TCEQ, and the TWC in accordance with TWC § 13.241(b) and 16 TAC § 24.227(a)(1).
11. Under TWC § 13.257(r) and (s), Floresville is required to record a certified copy of its approved map and certificate, along with a boundary description of its service area, in the real property records of Wilson County no later than the 31st day after the date the CCN holder receives this Order.
12. The requirements for informal disposition under 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 amends Floresville's water CCN number 10688 as described in the Order and shown on the attached map.
2. The Commission approves the map and certificate attached to this Order.
3. Floresville must serve every customer and applicant for service within the approved area under CCN number 10688 that requests service and meets the terms of Floresville's water service, and such service must be continuous and adequate.
4. Floresville must file in this docket proof of the recording required in TWC § 13.257(r) and (s) within 45 days after the date of this Order.
5. 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 5<sup>th</sup> day of March 2021.

**PUBLIC UTILITY COMMISSION OF TEXAS**

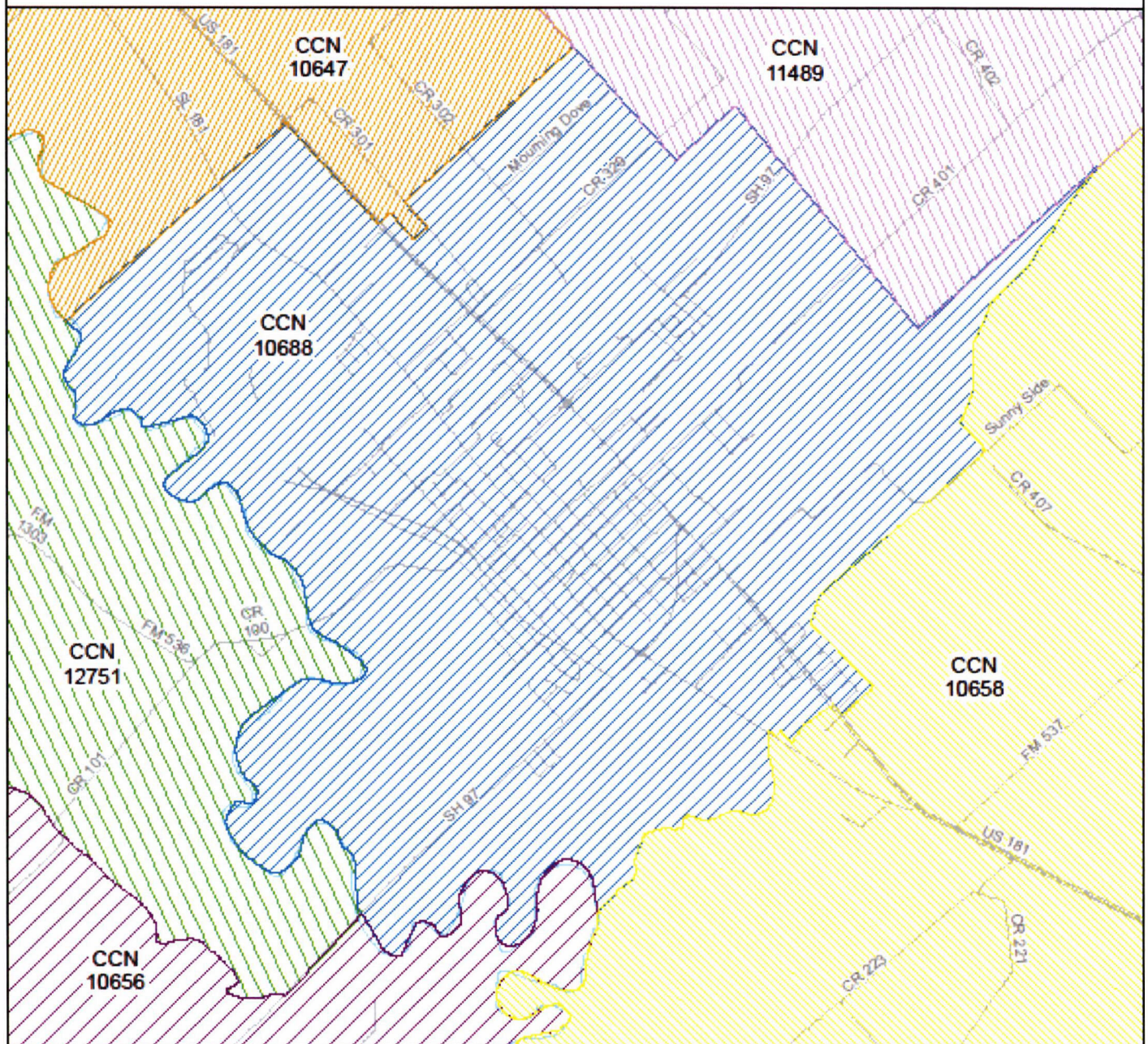
  
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**ARTHUR C. D'ANDREA, CHAIRMAN**

  
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**SHELLY BOTKIN, COMMISSIONER**

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City of Floresville  
 Portion of Water CCN No. 10688  
 PUC Docket No. 49263  
 Amended CCN No. 10688 in Wilson County



**Water CCN**

-  10688 - City of Floresville
-  12751 - Picoso WSC
-  10647 - Oak Hills WSC
-  11489 - S S WSC
-  10658 - Sunko WSC
-  10656 - Three Oaks WSC



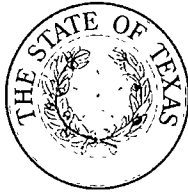
Public Utility Commission of Texas  
 1701 N. Congress Ave  
 Austin, TX 78701

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Map by: Komal Patel  
 Date created: June 5, 2020  
 Project Path: n:\finalmapping\49263CityofFloresville.mxd





# **Public Utility Commission of Texas**

**By These Presents Be It Known To All That**

## **City of Floresville**

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, City of Floresville is entitled to this

### **Certificate of Convenience and Necessity No. 10688**

to provide continuous and adequate water utility service to that service area or those service areas in Wilson County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 49263 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 City of Floresville 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 5<sup>th</sup> day of March 2021.