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DOCKET NO. 49879

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APPLICATION OF SWIFT WATER § PUBLIC UTILITY COMMISSION  
SUPPLY CORPORATION TO AMEND §  
ITS WATER CERTIFICATE OF § OF TEXAS  
CONVENIENCE AND NECESSITY IN §  
NACOGDOCHES COUNTY §

### NOTICE OF APPROVAL

This Notice of Approval addresses the application of Swift WSC to amend its water certificate of convenience and necessity (CCN) number 11420 to add 1,969 acres and 62 customer connections to its service area in Nacogdoches County. The Commission amends Swift WSC's water CCN number 11420 to the extent provided in this order.

#### I. Findings of Fact

The Commission makes the following findings of fact.

##### Applicant

1. Swift WSC is a Texas non-profit water supply corporation registered with the Texas secretary of state under file number 0020543101.
2. Swift WSC operates, maintains, and controls facilities for providing retail water service in Nacogdoches County under water CCN number 11420.
3. Swift WSC owns and operates a public water system that is registered with the Texas Commission on Environmental Quality (TCEQ) under identification number 1740019.

##### Application and Opt-Out Requests

4. On August 21, 2019, Swift WSC filed an application to amend its water CCN number 11420 in Nacogdoches County to add approximately 3,123 acres of land and 62 existing customer connections to its certificated service area.
5. On October 14 and December 16, 2019, and January 7 and February 10, 2020, Swift WSC supplemented the application.
6. The original requested areas are located as follows:

- a. Area A: Approximately seven miles northeast of downtown Nacogdoches, Texas, and is generally bounded on the north by Happy Land, on the east by Farm-to-Market Road 1878, on the south by Farm-to-Market Road 1878, and on the west by Farm-to-Market Road 2609.
  - b. Area B: Approximately 10 miles east-northeast of downtown Nacogdoches, Texas, and is generally bounded on the north by Farm-to-Market Road 1878, on the east by Farm-to-Market Road 95, on the south by County Road 234, and on the west by Farm-to-Market Road 1878.
7. In Order No. 6 filed on April 15, 2020, the administrative law judge (ALJ) found the application administratively complete.
8. On May 11, 2020, William and Andrew Hunt filed a request to opt out of the requested CCN amendment.
9. On May 27, 2020, Swift WSC amended its application with revised maps accommodating the opt out requests.
10. In Order No. 9 filed on August 3, 2020, the ALJ found the revised maps sufficient.
11. On September 29 and 30 and October 13, 2020, Swift WSC filed revised maps and amended the application to reduce the size of the requested areas to include only those areas with a need for service.
12. The application, as amended and supplemented, requests service areas totaling approximately 1,969 acres and 62 existing customer connections.

**Notice**

13. On May 27, 2020, Swift WSC filed a publisher's affidavit attesting to the publication of notice of the application in *The Daily Sentinel*, a newspaper of general circulation in Nacogdoches County, on May 10 and 17, 2020.
14. On May 27, 2020, Swift WSC filed the affidavits of Paul D. Hughes, Swift WSC's president, attesting that notice was mailed to current customers, landowners, neighboring utilities, and affected parties on July 1, 2020.

15. On July 9, 2020, Swift WSC filed the affidavits of Paul D. Hughes, Swift WSC's president, attesting that notice was mailed to current customers, landowners, neighboring utilities, and affected parties on July 1, 2020.
16. In Order No. 9 filed on August 3, 2020, the ALJ found the notice sufficient.

**Evidentiary Record**

17. On January 19, 2021, Commission Staff and Swift WSC filed an agreed motion to admit evidence.
18. In Order No. 11 filed on February 5, 2021, the ALJ admitted the following evidence into the record of this proceeding: (a) Swift WSC's application and all attachments filed on August 21, 2019; (b) Swift WSC's supplemental information filed on October 14 and December 16, 2019, and January 7 and February 10, 2020; (c) Swift WSC's proof of notice filed on May 27 and July 9, 2020; (d) Swift WSC's supplemental mapping filed on May 27, September 29 and 30, and October 13, 2020; (e) Swift WSC's consent forms concurring with Commission Staff's proposed final map and certificate filed on December 15, 2020; and (f) Commission Staff's final recommendation and attached map and certificate filed on January 11, 2021.

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

19. Swift WSC is currently providing water service to 62 existing customers in the requested areas through public water system number 1740019, and such service has been continuous and adequate.

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

20. There is a need for service because Swift WSC is currently serving 62 existing customers in the requested areas.

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

21. Granting the CCN amendment will allow Swift WSC to continue serving its 62 existing customers and will obligate Swift WSC to provide service to future customers in the requested areas.
22. No protests, adverse comments, or motions to intervene were filed by any adjacent retail public utility in this docket.

23. There will be no effect on any retail public utility servicing the proximate area.

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

24. Public water system number 1740019 through which Swift WSC is currently providing water service to 62 customers in the requested areas has adequate capacity to meet the projected demands in the requested areas.
25. Swift WSC does not have any violations listed in the TCEQ database.
26. Swift WSC employs TCEQ-licensed operators who are responsible for operating its public water system number 1740019.
27. Swift WSC has the managerial and technical capability to provide continuous and adequate service to the requested areas.

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

28. Swift WSC is currently serving customers in the requested areas and has facilities and has adequate capacity to meet the projected demands in the requested areas.
29. It is not feasible to obtain service from an adjacent retail public utility.

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

30. Swift WSC has a debt-to-equity ratio that is less than one, satisfying the leverage test.
31. Swift WSC demonstrated that it has sufficient cash available to cover any projected operations or maintenance shortages in the first five years of operations after completion of the CCN amendment, satisfying the operations test.
32. Swift WSC demonstrated the financial ability and stability to pay for the facilities necessary to provide continuous and adequate service to the requested areas.

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

33. There is no need to require Swift WSC to provide a bond or other financial assurance to ensure continuous and adequate service to the requested areas.

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

34. Swift WSC will continue to provide the same level of water service to the 62 existing customers in the requested areas.
35. Water service to the requested areas will improve because Swift WSC will be obligated to provide continuous and adequate service to future customers in the requested areas.
36. No lowering of costs to Swift WSC's 62 customers in the requested area will result from granting the CCN amendment because Swift WSC is already providing service to them.

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

37. There will be no effect on environmental integrity or the land because no additional construction is needed to provide service to the requested areas.

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

38. Swift WSC already serves 62 customers in the requested areas and will not need to construct a physically separate water system as part of the CCN amendment. Accordingly, concerns of regionalization or consolidation do not apply.

**Map and Certificate**

39. On December 11, 2020, Commission Staff emailed its proposed final map and certificate to Swift WSC.
40. On December 15, 2020, Swift WSC filed its consent to the proposed map and certificate.
41. On January 11, 2021, Commission Staff filed the proposed map and certificate were included as attachments to Commission Staff's final recommendation.

**Informal Disposition**

42. More than 15 days have passed since the completion of the notice provided in this docket.
43. All opt-out requests have been addressed and no person filed a protest or motion to intervene.
44. Swift WSC 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 §§ 13.041, 13.241, 13.244, and 13.246.
2. Swift WSC 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 Commission processed the application as required by the TWC, the Administrative Procedure Act,<sup>1</sup> and Commission rules.
5. After consideration of the factors in TWC § 13.246(c) and 16 TAC § 24.227(e), Swift WSC demonstrated adequate financial, managerial, and technical capability to provide continuous and adequate service to the requested areas and its current service areas in Nacogdoches County, as required by TWC § 13.241 and 16 TAC § 24.227.
6. Swift WSC has demonstrated that the amendment of its water CCN number 11420 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).
7. It is not necessary for Swift WSC to provide a bond or other financial assurance under TWC § 13.246(d) or 16 TAC § 24.227(f).
8. Swift WSC has access to an adequate supply of water to serve the requested areas and its public water system is capable of providing water that meets the requirements of chapter 341 of the Texas Health and Safety Code, chapter 13 of the TWC, and the rules of the TCEQ in accordance with TWC § 13.241(b) and 16 TAC § 24.227(a)(1).
9. Under TWC § 13.257(r) and (s), Swift WSC must record a certified copy of its approved map and certificate, along with a boundary description of its service area, in the real

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

property records of Nacogdoches County no later than the 31st day after the date it receives this Notice of Approval.

10. 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 amends Swift WSC's water CCN number 11420 to include the requested areas described in this Notice of Approval and shown on the attached map
2. The Commission approves the map and certificate attached to this Notice of Approval.
3. Swift WSC must provide service to every customer and applicant for service within the approved area under water CCN number 11420 who requests water service and meets the terms of Swift WSC's water service, and such service must be continuous and adequate.
4. Swift WSC must file in this docket proof of the recording required in TWC § 13.257(r) and (s) within 45 days after receipt of this Notice of Approval.
5. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the 24th day of February 2020.

**PUBLIC UTILITY COMMISSION OF TEXAS**



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**ISAAC TA**  
**ADMINISTRATIVE LAW JUDGE**





# **Public Utility Commission of Texas**

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

## **Swift Water Supply Corporation**

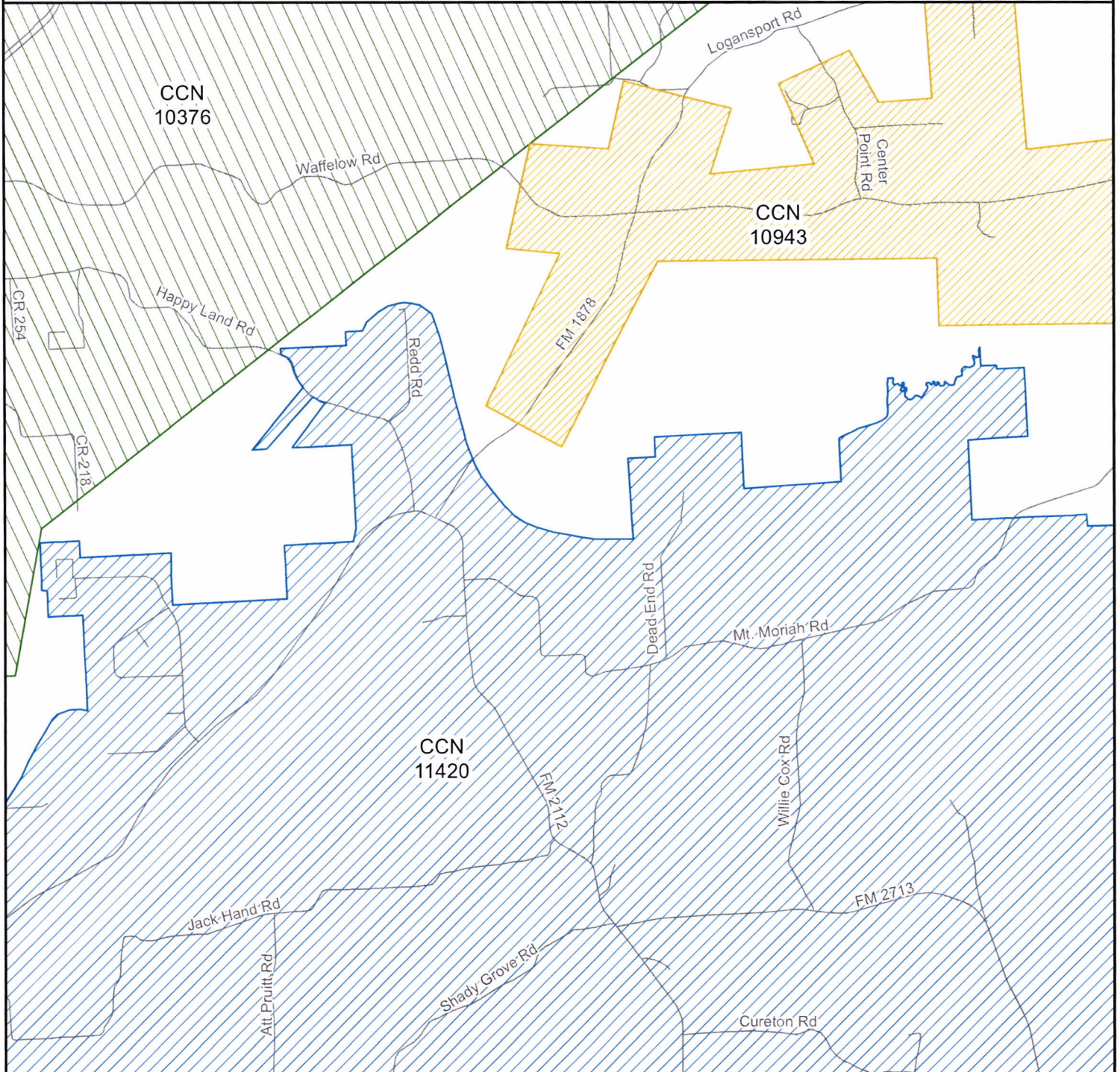
having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, Swift Water Supply Corporation is entitled to this

### **Certificate of Convenience and Necessity No. 11420**

to provide continuous and adequate water utility service to that service area or those service areas in Nacogdoches County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 49789 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 Swift Water Supply Corporation 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 24<sup>th</sup> day of February 2021.

Swift Water Supply Corporation  
Portion CCN No. 11420  
PUC Docket No. 49879  
Amended CCN No. 11420 in Nacogdoches County



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

**Water CCN**

-  11420 - Swift WSC
-  10376 - Appleby WSC
-  10943 - Libby WSC

0 2,250 4,500  
Feet



Map by: Komal Patel  
Date created: November 18, 2020  
Project Path: n:\finalmapping\  
49879SwiftWSC.mxd