

Control Number: 49891



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DOCKET NO. 49891

APPLICATION OF MUSTANG
SPECIAL UTILITY DISTRICT TO
AMEND ITS CERTIFICATES OF
CONVENIENCE AND NECESSITY IN
DENTON COUNTY

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PUBLIC UTILITY COMMISSION
OF TEXAS

**COMMISSION STAFF'S CORRECTED SUPPLEMENTAL RECOMMENDATION ON
ADMINISTRATIVE COMPLETENESS AND PROPOSED NOTICE**

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

I. BACKGROUND

On August 23, 2019, Mustang Special Utility District (Mustang SUD) filed a petition to amend its water Certificate of Convenience and Necessity (CCN) No. 11856 and sewer CCN No. 20930 in Denton County. The requested service area consists of approximately 1,103 acres and currently has 376 customers. Mustang SUD filed supplemental information on October 23, 2019.

On September 27, 2019, the Administrative Law Judge issued Order No. 2, setting a deadline of November 25, 2019, for Staff to file supplemental comments on the administrative completeness of the application and proposed notice.

II. CORRECTED DEFICIENCY RECOMMENDATION

On November 25, 2019, Staff timely filed a supplemental recommendation, but failed to file the correct memorandum. The correct memorandum, from Nabaraj Pokharel in the Commission's Infrastructure Division, is attached.

III. CONCLUSION

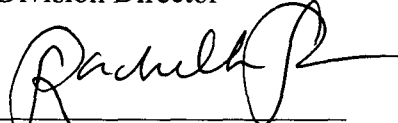
For the reasons stated above, Staff respectfully requests for OPDM to replace the memorandum filed on November 25, 2019 with the memorandum attached here.

Dated: November 25, 2019

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

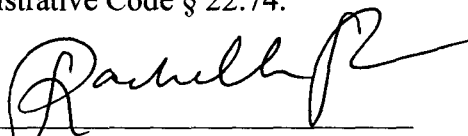
A handwritten signature in black ink, appearing to read 'Rachelle Robles', with a horizontal line underneath.

Rachelle Nicolette Robles
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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on November 25, 2019, in accordance with 16 Texas Administrative Code § 22.74.

A handwritten signature in black ink, appearing to read "Rachelle Robles", written over a horizontal line.

Rachelle Nicolette Robles

PUC Interoffice Memorandum

To: Rachelle Nicolette Robles, Managing Attorney
Legal Division

Thru: Heidi Graham, Manager
Infrastructure Division

From: Nabaraj Pokharel, Engineering Specialist
Infrastructure Division

Date: November 21, 2019

Subject: **Docket 49891**, Application of Mustang Special Utility District to Amend its Certificates of Convenience and Necessity in Denton County

On August 23, 2019, Mustang Special Utility District (Applicant) filed with the Public Utility Commission of Texas (Commission) an application to amend its water and sewer Certificate of Convenience and Necessity (CCN) No. 11856 and 20930, respectively in Denton County, Texas pursuant to Texas Water Code Ann. (TWC) §§ 13.242 - 13.250 and 16 Texas Administrative Code (TAC) §§ 24.225 to 24.237.

A Staff review of the above referenced application and supporting documents filed on October 23, 2019 found deficiencies in the required application. Per requirement of TWC §13.242(a) and §24.233(a)(4)(B), the Applicant must obtain written consent from a municipality when the requested area overlaps the municipality's corporate boundaries to allow the Applicant to provide retail water and sewer services within their corporate boundaries. Therefore, Staff recommends that the application be deemed insufficient for filing and administratively incomplete.

Application Content:

Since the requested areas overlap the following municipality's corporate boundaries, which requires written consent from the following cities allowing Mustang SUD to provide retail water and sewer services within their corporate boundaries.

- City of Celina
- Town of Little Elm

Staff also noticed that applicant provide the following information to consider this application as a sufficient.

- Provide a copy of construction approval letters from TCEQ for the necessary facilities, such as distribution systems, that will serve the requested area.
- Provide supplemental information for the public water system capacity to support the ability of the Applicant to provide water service within the requested area.
- Provide a copy of any developer agreements or requests for service within the requested area.
- Provide a capital improvement plan, including a budget, estimated timeline and the sources of funding for the construction of all facilities necessary to provide service to the requested area.