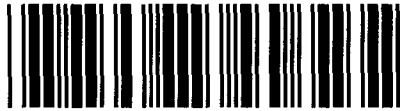




Control Number: 50488



Item Number: 7

Addendum StartPage: 0



DOCKET NO. 50488

**PETITION OF RIVER OAKS RANCH
WATER SYSTEM TO
DISCONTINUE WATER SERVICE
AND CANCEL ITS EXEMPT
UTILITY REGISTRATION IN
BANDERA COUNTY**

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§

**PUBLIC UTILITY COMMISSION
OF TEXAS**

**JOINT PROPOSED NOTICE OF APPROVAL
AND MOTION TO ADMIT EVIDENCE**

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), and River Oaks Ranch Water System (River Oaks) (collectively, Parties) and hereby file this Joint Proposed Notice of Approval and Motion to Admit Evidence. In support thereof, the Parties would show the following:

I. INTRODUCTION

On January 27, 2020, River Oaks filed a petition to discontinue water service and cancel the associated exempt utility registration No. N0069 in Bandera County. River Oaks asserts there is no charge for the provision of water service in the area, which includes approximately 81 acres and no customers. River Oaks' former customers have all drilled private wells. On March 26, 2020, Staff filed its Final Recommendation, recommending that the application be approved and that River Oaks' Exempt Utility Registration No. N0069 be cancelled.

On February 28, 2020, Order No. 2 in this proceeding was issued, requiring the Parties to file a joint motion to admit evidence and proposed notice of approval by April 9, 2020, if no hearing was requested. No hearing was requested in this matter. Therefore, this Joint Proposed Notice of Approval and Motion to Admit Evidence is timely filed.

II. MOTION TO ADMIT EVIDENCE

The Parties respectfully request that the following evidence be admitted into the record:

- (1) River Oaks' Application and accompanying attachments, filed on January 27, 2020 (AIS Item No. 1);
- (2) River Oaks' maps, filed on February 18, 2020 (AIS Item No. 3);

- (3) Staff's Recommendation on Administrative Completeness, filed on February 26, 2020 (AIS Item No. 4); and
- (4) Staff's Final Recommendation, filed on March 26, 2020 (AIS Item No. 6).

III. JOINT PROPOSED NOTICE OF APPROVAL

The Parties have agreed to the attached Joint Proposed Notice of Approval, which would approve River Oaks' application to discontinue water service in Bandera County and cancel its Exempt Utility Registration No. N0069. The Parties request that the Commission adopt the findings of fact, conclusions of law, and ordering paragraphs from the Notice of Approval.

IV. CONCLUSION

The Parties respectfully request that all items listed above be admitted into the record of this proceeding as evidence and that the Commission approve the attached Joint Proposed Notice of Approval.

Dated: April 9, 2020

Respectfully submitted,

RIVER OAKS WATER SYSTEM

John W. Kiolbassa
PO Box 64103
Pipe Creek, Texas 78063
Telephone: (210) 392-6510
john@kiolbassa.net

By: /s/ John W. Kiolbassa
John W. Kiolbassa

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Rachelle Nicolette Robles
Division Director

Eleanor D'Ambrosio
Managing Attorney

/s/ John Harrison
John Harrison
State Bar No. 24097806
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7277
(512) 936-7268 (facsimile)
John.Harrison@puc.texas.gov

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on April 9, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ John Harrison
John Harrison

DOCKET NO. 50488

PETITION OF RIVER OAKS RANCH	§	PUBLIC UTILITY COMMISSION
WATER SYSTEM TO	§	
DISCONTINUE WATER SERVICE	§	OF TEXAS
AND CANCEL ITS EXEMPT	§	
UTILITY REGISTRATION IN	§	
BANDERA COUNTY	§	

JOINT PROPOSED NOTICE OF APPROVAL

This Notice of Approval approves the application of River Oaks Water System (River Oaks) to discontinue water service and cancel the associated exempt utility registration number N0069 in Bandera County in accordance with 16 Texas Administrative Code (TAC) § 24.249(i). The Commission approves the application.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

1. River Oaks is a sole proprietorship owned by John W. Kiolbassa with the following address of record: P.O. Box 6410 Pipe Creek, TX 78063.
2. River Oaks currently holds exempt utility registration number N0069 in Bandera County.

Application

3. On January 27, 2020, River Oaks filed an application to discontinue water service and cancel the associated exempt utility registration number N0069 in Bandera County in accordance with 16 Texas Administrative Code (TAC) § 24.249(i).
4. With its application filed on January 27, 2020, River Oaks included: (a) a statement that the system has no existing connections, and that as of August 16, 2019, the water system is inactive with the Texas Commission on Environmental Quality; (b) a statement that all previous customers have drilled their own wells; (c) a statement that the water system was acquired in 2013 from Carl B. Hildebrand; (d) a statement that there are no metered connections as of the date the application was filed; and (e) a

statement that River Oaks does not purchase water or sewer treatment capacity from any other source.

5. On February 18, 2020, River Oaks supplemented the application with general and detailed location maps.
6. The area served under exempt utility registration number N0069 includes 81 acres and zero current customers.
7. In Order No. 2, issued February 28, 2020, the administrative law judge (ALJ) found the application administratively complete.

Notice

8. In Order No. 2, issued February 28, 2020, the ALJ found that no notice was necessary because no customers were being served by River Oaks.

Evidentiary Record

9. On April 9, 2020, Commission Staff and River Oaks filed a motion to admit evidence.
10. In Order No. 3, issued on _____, 2020, the ALJ admitted the following evidence into the record: (1) River Oaks' Application and accompanying attachments, filed on January 27, 2020 (AIS Item Nos. 1); (2) River Oaks' maps, filed on February 18, 2020 (AIS Item No. 3); (3) Staff's Recommendation on Administrative Completeness, file don February 26, 2020 (AIS Item No. 4); and (4) Staff's Final Recommendation, filed on March 26, 2020 (AIS Item No. 6).

Effect on Customers—16 Texas Administrative Code (TAC) § 24.249(i)(1)

11. The proposed discontinuation of service will have no effect on customers and landowners as River Oaks' former customers have all drilled private wells.

Costs Associated with Compliance—16 TAC § 24.249(i)(2)

12. River Oaks had a Texas Commission on Environmental Quality (TCEQ) approved Public Water System (PWS) Identification No. 0100103.
13. PWS No. 0100103 is now listed as inactive in the TCEQ Drinking Water Watch website.
14. The customers have drilled private wells and are no longer being provided water service from River Oaks' PWS.

Diligence in Locating Alternative Sources of Service—16 TAC § 24.249(i)(3)

15. There are no other water providers in the area willing to serve River Oaks' former customers who are currently using private wells for water service.

Efforts to Sell Utility—16 TAC § 24.249(i)(4)

16. River Oaks was provided assistance through the TCEQ and the Commission to try to locate a purchaser for the system. These efforts were unsuccessful.

Asking Price—16 TAC § 24.249(i)(5)

17. River Oaks did not provide an asking price for the purchase of the utility.

Relationship Between Applicant and Developer—16 TAC § 24.249(i)(6)

18. River Oaks is several owners removed from the original owner and developer of the subdivision.

Availability of Alternative Sources of Service—16 TAC § 24.249(i)(7)

19. There are no other water providers or sources for water service willing to serve former customers in this area. The former customers are using private wells for water service.

Feasibility of Obtaining Service from Alternative Sources—16 TAC § 24.249(i)(6)

20. There are no other water providers or sources for water service willing to serve former customers in this area. The former customers are using private wells for water service.

Informal Disposition

1. Notice of the application was not required.
2. Commission Staff and River Oaks are the only parties to this proceeding.
3. No protests or motions to intervene were filed.
4. No party requested a hearing and no hearing is necessary.
5. Commission Staff recommended approval of the application.
6. This 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 the application under Texas Water Code (TWC) §§ 13.041 and 13.250.
2. River Oaks is an exempt utility under 16 TAC § 24.229(e).
3. Notice of the application was not required, as there are no existing customers.

4. The Commission processed the application in accordance with the requirements of the Administrative Procedure Act,¹ the TWC, and Commission rules.
5. After consideration of the factors in 16 TAC § 24.249(i), River Oaks has demonstrated that it meets the criteria to discontinue water service in Bandera County and cancel its exempt utility registration number N0069.
6. River Oaks has demonstrated that the discontinuation of its water service in Bandera County, and the cancellation of its exempt utility registration number N0069, will serve the public interest.
7. River Oaks' request to discontinue service may not take effect before May 26, 2020, under 16 TAC § 24.249(a)(2).
8. 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 approves the application, to the extent provided in this Notice of Approval.
2. The Commission grants River Oaks' request to discontinue water service in Bandera County effective May 26, 2020.
3. The Commission cancels River Oaks' exempt utility registration number N0069.
4. 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 ____ day of _____, 2020.

PUBLIC UTILITY COMMISSION OF TEXAS

ADMINISTRATIVE LAW JUDGE

¹ Tex. Gov't Code ch. 2001.