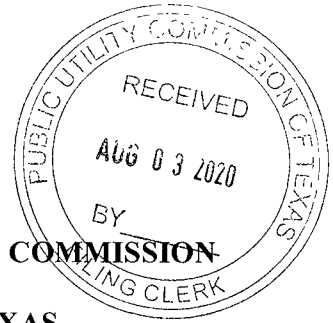


Control Number: 50626



Item Number: 13

Addendum StartPage: 0



**DOCKET NO. 50626**

**APPLICATION OF QUADVEST, L.P. TO §  
AMEND ITS CERTIFICATES OF §  
CONVENIENCE AND NECESSITY AND §  
TO DECERTIFY PORTIONS OF THE §  
CITY OF CONROE'S CERTIFICATES §  
OF CONVENIENCE AND NECESSITY §  
IN MONTGOMERY COUNTY §**

**PUBLIC UTILITY COMMISSION  
OF TEXAS**

**COMMISSION STAFF'S 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. 3, files this Supplemental Recommendation on Administrative Completeness and Proposed Notice. Staff recommends that the application be deemed sufficient. In support thereof, Staff shows the following:

**I. BACKGROUND**

On March 6, 2020, Quadvest, L.P. (Quadvest) filed an application to amend its water certificate of convenience and necessity (CCN) No. 11612 and sewer CCN No. 20952 in Montgomery County. The application also seeks to decertify portions of the City of Conroe's water CCN No. 10339 and sewer CCN No. 20135. The requested service area consists of approximately 257 acres and no current customer connections. Quadvest filed supplemental information on May 18, May 27, and July 23, 2020. The City of Conroe filed a letter consenting to the requested decertification on June 29, 2020.

On May 28, 2020, the administrative law judge (ALJ) issued Order No. 3, requiring Staff to file a supplemental recommendation on the administrative completeness of the application along with a proposed procedural schedule by August 3, 2020. Therefore, this pleading is timely filed.

**II. ADMINISTRATIVE COMPLETENESS**

Staff has reviewed the application and supplemental information filed by Quadvest, and as detailed in the attached memorandum from Roshan Pokhrel of the Commission's Infrastructure Division, Staff recommends that the application be found administratively

13

complete and accepted for filing. Staff's recommendation on administrative completeness is not a comment on the merits of the application, only that it is complete for further processing.

### III. NOTICE

As detailed in Mr. Pokhrel's attached memorandum, Staff recommends that Quadvest proceed with providing public notice. Specifically, Staff recommends that Quadvest be ordered to use the attached affidavits and *Notice for Publication* and *Notice to Landowners, Neighboring Systems, and Cities* forms to complete the following actions:

1. Provide notice of the application by first-class mail to the following:
  - a. Cities, districts, and neighboring retail public utilities providing the same utility service whose corporate boundaries or certificated service area are located within two miles from the outer boundary of the requested area:
    - Aqua Utilities, Inc. (CCN No. 11157)
    - C & R Water Supply (CCN No. 13098)
    - City of Conroe (CCN Nos. 10339 and 20135)
    - Deer Trails Water District, LLC (CCN Nos. 13285 and 21117)
    - Lone Star Groundwater Conservation District
    - Montgomery County MUD 92
    - Nerro Supply, LLC (12252)
    - San Jacinto River Authority
    - Stone Hedge Utility, Co. Inc. (CCN Nos. 12624 and 20754)
    - T & W Water Service Company (12892)
    - Town of Cut and Shoot
    - Woodland Hills Water, LLC (12388)
  - b. The county judge of each county that is wholly or partially included in the requested area:
    - Montgomery County Judge
  - c. Each groundwater conservation district that is wholly or partially included in the requested area:
    - Lone Star Groundwater Conservation District
  - d. Each landowner of a tract of land that is at least 25 acres and is wholly or partly located in the requested area. Notice must be mailed to the owner of the tract of land according to the most current tax appraisal rolls of the applicable central appraisal district at the time the application was filed.
  - e. Any affected customers or other affected parties in the requested area.

Addresses can be obtained by the Applicant from the Water Utility Database, at <http://www.puc.texas.gov/watersearch>. Information related to districts including addresses can be obtained from the Texas Commission on Environmental Quality's (TCEQ) website, at <http://www.tceq.texas.gov/iwud/>.

2. Publish notice in a newspaper having general circulation in the county where the requested area is located, once each week for two consecutive weeks. Proof in the form of a publisher's affidavit must be filed within 30 days of the publication date. The affidavit must state with specificity each county in which the newspaper is of general circulation. Within 30 days of the date the notice was mailed, the Applicant must file an affidavit specifying the notice that was provided to every person and entity to whom notice was provided and the date the notice was mailed.
3. Provide notice using the attached notice forms.
4. Provide a copy of the map delineating the requested area with each individual notice to neighboring utilities, other affected parties, landowners, and customers.
5. File in the docket a map and copy of notice along with the signed affidavit specifying every person and entity to whom notice was provided, the date that the notice was provided, and the publisher's affidavit for proof of newspaper publication.

#### IV. PROCEDURAL SCHEDULE

Staff recommends the application be found administratively complete. Staff therefore proposes the following procedural schedule:

Event	Date
Deadline for Quadvest to file with the Commission signed affidavits that the notice was given along with a copy of the notice sent to the affected parties and published in a newspaper of general circulation	September 18, 2020
Deadline for Staff to file a recommendation on sufficiency of notice	September 25, 2020
Deadline to intervene	Thirty (30) days after notice is issued

#### V. CONCLUSION

For the reasons detailed above, Staff respectfully requests that the application, as supplemented, be found administratively complete, that Quadvest be ordered to provide notice as detailed above and in the attached memorandum, and that the procedural schedule proposed above be adopted.

Dated: August 3, 2020

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

Rachelle Nicolette Robles  
Division Director

Eleanor D'Ambrosio  
Managing Attorney

/s/ Daniel Moore  
Daniel Moore  
State Bar No. 24116782  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711  
(512) 936-7465  
(512) 936-7268 (facsimile)  
Daniel.Moore@puc.texas.gov

**DOCKET NO. 50626**

**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 August 3, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Daniel Moore  
Daniel Moore

## PUC Interoffice Memorandum

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**To:** Daniel Moore, Attorney  
Legal Division

**From:** Roshan Pokhrel, Engineering Specialist  
Infrastructure Division

**Date:** 8/3/2020

**Subject:** **Docket No. 50626**, *Application of Quadvest, L.P. to Amend its Certificates of Convenience and Necessity and to Decertify Portions of the City of Conroe's Certificates of Convenience and Necessity in Montgomery County*

On March 6, 2020, Quadvest, L.P. (Applicant) filed an application with the Public Utility Commission of Texas to amend its water certificate of convenience and necessity (CCN) No. 11612 and sewer CCN No. 20952, and to decertify a portion of the City of Conroe's water CCN No. 10339 and sewer CCN No. 20135 in Montgomery County, under Texas Water Code (TWC) §§ 13.242 to 13.250 and 16 Texas Administrative Code (TAC) §§ 24.225 to 24.237.

Staff has reviewed the additional information filed by the Applicant on May 18 and June 29, 2020 and recommends that the application be deemed administratively complete. Staff further recommends that the Applicant be ordered to do the following:

- 1) Provide notice of the application by first-class mail to the following:
  - a. Cities, districts, and neighboring retail public utilities providing the same utility service whose corporate boundaries or certificated service area are located within two miles from the outer boundary of the requested area:
    - Aqua Utilities, Inc. (CCN No. 11157)
    - C & R Water Supply (CCN No. 13098)
    - City of Conroe (CCN Nos. 10339 and 20135)
    - Deer Trails Water District, LLC (CCN Nos. 13285 and 21117)
    - Lone Star Groundwater Conservation District
    - Montgomery County MUD 92
    - Nerro Supply, LLC (12252)
    - San Jacinto River Authority
    - Stone Hedge Utility Co., Inc. (CCN Nos. 12624 and 20754)
    - T & W Water Service Company (12892)
    - Town of Cut and Shoot
    - Woodland Hills Water, LLC (12388)
  - b. The county judge of each county that is wholly or partially included in the requested area:
    - Montgomery County Judge
  - c. Each groundwater conservation district that is wholly or partially included in the requested area:
    - Lone Star Groundwater Conservation District

- d. Each landowner of a tract of land that is at least 25 acres and is wholly or partly located in the requested area. Notice must be mailed to the owner of the tract of land according to the most current tax appraisal rolls of the applicable central appraisal district at the time the application was filed.
- e. Any affected customers or other affected parties in the requested area.

Addresses can be obtained by the Applicant from the Water Utility Database, at <http://www.puc.texas.gov/watersearch>. Information related to districts including addresses can be obtained from the Texas Commission on Environmental Quality's (TCEQ) website, at <http://www.tceq.texas.gov/iwuid/>.

- 2) Publish notice in a newspaper having general circulation in the county where the requested area is located, once each week for two consecutive weeks. Proof in the form of a publisher's affidavit must be filed within 30 days of the publication date. The affidavit must state with specificity each county in which the newspaper is of general circulation. Within 30 days of the date the notice was mailed, the Applicant must file an affidavit specifying the notice that was provided to every person and entity to whom notice was provided and the date the notice was mailed.
- 3) Provide notice using the attached notice forms.
- 4) Provide a copy of the map delineating the requested area with each individual notice to neighboring utilities, other affected parties, landowners, and customers.
- 5) File in the docket a map and copy of notice along with the signed affidavit specifying every person and entity to whom notice was provided, the date that the notice was provided, and the publisher's affidavit for proof of newspaper publication.
- 6) Supplement the application with a copy of the approval letter for the plans and specifications for an additional water facility and wastewater permit from TCEQ once it is received. The Applicant must file the approval letter prior to Staff making a final recommendation on the application.

Staff may determine that additional information is needed to make a final recommendation in this docket. If additional information is needed, Staff may send requests for information (RFI) to the Applicant. The Applicant will have 20 days from the receipt of the RFI to respond.

***Notice for Publication***

**NOTICE OF APPLICATION TO AMEND A CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER AND SEWER UTILITY SERVICES IN MONTGOMERY COUNTY, TEXAS**

Quadvest, L.P. has filed an application with the Public Utility Commission of Texas to amend its Certificate of Convenience and Necessity (CCN) No. 11612 and CCN No. 20952 and to decertify a portion of CCN Nos. 10339 and 20135 of the City of Conroe for the provision of retail water and sewer utility service in Montgomery County.

The requested area overlaps the district boundaries of the Lone Star Groundwater Conservation District. If Lone Star Groundwater Conservation District does not request a public hearing, the Commission shall determine that the district is consenting to Quadvest's request to provide retail water and sewer utility service in the requested area.

The requested area is located approximately 4.2 miles northeast of downtown Conroe, TX, and is generally bounded on the north by Rustling Oaks Drive; on the east by Wren Road; on the south by East Fork Crystal Creek and North Houston Regional Airport; and on the west by Airport Road. The requested area includes approximately 257 total acres and 0 current customers. The portion to be decertified from the City of Conroe's water CCN No. 10339 and sewer CCN No. 20135 includes approximately 21 acres.

**A copy of the map showing the requested area is available at:** 26926 FM 2978, Magnolia, TX 77354

*Persons who wish to intervene in the proceeding or comment upon action sought should contact the Public Utility Commission, P.O. Box 13326, Austin, Texas 78711-3326, or call the Public Utility Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. The deadline for intervention in the proceeding is (30 days from the mailing or publication of notice, whichever occurs later, unless otherwise provided by the presiding officer). You must send a letter requesting intervention to the commission which is received by that date. The letter must include the person's name, address, email address and fax number if applicable.*

If a valid public hearing is requested, the Commission will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, SOAH will submit a recommendation to the Commission for a final decision. An evidentiary hearing is a legal proceeding similar to a civil trial in state district court.

A landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the requested area, may file a written request with the Commission to be excluded from the requested area ("opt out") within (30) days from the date that notice was provided by the Utility. All opt out requests must include a large-scale map, a metes and bounds description of the landowner's tract of land, landowner's name, address, email address and fax number, if applicable.

Persons who wish to request this option should file the required documents with the:

Public Utility Commission of Texas  
Central Records  
1701 N. Congress, P. O. Box 13326  
Austin, TX 78711-3326



In addition, the landowner must also send a copy of the opt out request to the Utility. Staff may request additional information regarding your request.

Si desea información en español, puede llamar al 1-888-782-8477.

Notice to Neighboring Systems, Landowners, Customers, and Cities

NOTICE OF APPLICATION TO AMEND A CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER AND SEWER UTILITY SERVICES IN MONTGOMERY COUNTY, TEXAS

To: \_\_\_\_\_
(Neighboring System, Landowner, Customer or City)
\_\_\_\_\_  
(Address)
\_\_\_\_\_  
(City State Zip)

Date Notice Mailed: \_\_\_\_\_, 20\_\_

Quadvest, L.P. has filed an application with the Public Utility Commission of Texas to amend its Certificate of Convenience and Necessity (CCN) No. 11612 and CCN No. 20952 and to decertify a portion of CCN Nos. 10339 and 20135 of the City of Conroe for the provision of retail water and sewer utility service in Montgomery County.

The requested area overlaps the district boundaries of the Lone Star Groundwater Conservation District. If Lone Star Groundwater Conservation District does not request a public hearing, the Commission shall determine that the district is consenting to Quadvest’s request to provide retail water and sewer utility service in the requested area.

The requested area is located approximately 4.2 miles northeast of downtown Conroe, TX, and is generally bounded on the north by Rustling Oaks Drive; on the east by Wren Road; on the south by East Fork Crystal Creek and North Houston Regional Airport; and on the west by Airport Road. The requested area includes approximately 257 total acres and 0 current customers. The portion to be decertified from the City of Conroe’s water CCN No. 10339 and sewer CCN No. 20135 includes approximately 21 acres.

See enclosed map showing the requested area.

Persons who wish to intervene in the proceeding or comment upon action sought should contact the Public Utility Commission, P.O. Box 13326, Austin, Texas 78711-3326, or call the Public Utility Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. The deadline for intervention in the proceeding is (30 days from the mailing or publication of notice, whichever occurs later, unless otherwise provided by the presiding officer). You must send a letter requesting intervention to the commission which is received by that date. The letter must include the person’s name, address, email address and fax number if applicable.

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Public Utility Commission of Texas

Central Records  
1701 N. Congress, P. O. Box 13326  
Austin, TX 78711-3326

In addition, the landowner must also send a copy of the opt out request to the Utility. Staff may request additional information regarding your request.

Si desea información en español, puede llamar al 1-888-782-8477.

# PUBLIC UTILITY COMMISSION OF TEXAS



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, LANDOWNERS, NEIGHBORING  
UTILITIES AND AFFECTED PARTIES  
DOCKET NO. **50626**

STATE OF TEXAS  
COUNTY OF \_\_\_\_\_

\_\_\_\_\_ has provided individual  
notice to the following entities, landowners and customers:

DATE OF NOTICE

_____	_____
_____	_____
_____	_____
_____	_____

OATH

I, \_\_\_\_\_, being duly sworn, file this form as  
\_\_\_\_\_ (indicate relationship to applicant, that is,  
owner, member of partnership, title of officer of corporation, or other authorized representative of  
applicant); that in such capacity, I am qualified and authorized to file and verify such form, am  
personally familiar with the notices given with this application, and have complied with all notice  
requirements in the application and application acceptance letter; and that all such statements made  
and matters set for therein are true and correct.

\_\_\_\_\_  
Applicant's Authorized Representative

If the applicant to this form is any person other than the sole owner, partner, officer of the applicant,  
or its' attorney, a properly verified Power of Attorney must be enclosed.

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,  
to certify which witness my hand and seal of office.

\_\_\_\_\_  
Notary Public in and for the State of Texas

\_\_\_\_\_  
Print or Type Name of Notary Public

Commission Expires \_\_\_\_\_

# PUBLIC UTILITY COMMISSION OF TEXAS



## PUBLISHER'S AFFIDAVIT DOCKET NO. 50626

STATE OF TEXAS  
COUNTY OF \_\_\_\_\_

Before me, the undersigned authority, on this day personally appeared \_\_\_\_\_,  
who being by me duly sworn, deposes and that (s)he is the

\_\_\_\_\_ of the \_\_\_\_\_  
(TITLE) (NAME OF NEWSPAPER)

that said newspaper is regularly published in \_\_\_\_\_  
(COUNTY/COUNTIES)

and generally circulated in \_\_\_\_\_, Texas;  
(COUNTY/COUNTIES)

and that the attached notice was published in said newspaper on the following dates, to wit:

\_\_\_\_\_  
(DATES)

\_\_\_\_\_  
(SIGNATURE OF NEWSPAPER REPRESENTATIVE)

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,  
to certify which witness my hand and seal of office.

\_\_\_\_\_  
Notary Public in and for the State of Texas

\_\_\_\_\_  
Print or Type Name of Notary Public

Commission Expires \_\_\_\_\_