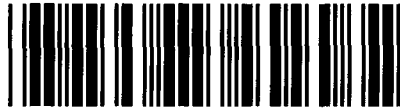
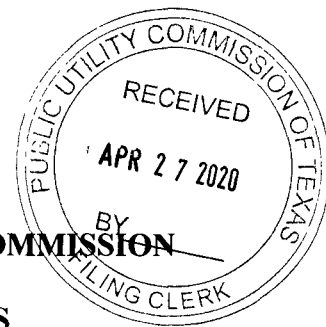


Control Number: 50659



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DOCKET NO. 50659

**APPLICATION OF MONTGOMERY
COUNTY MUNICIPAL UTILITY
DISTRICT NO. 126 AND CITY OF
CONROE FOR SALE, TRANSFER, OR
MERGER OF FACILITIES AND
CERTIFICATE RIGHTS IN
MONTGOMERY COUNTY**

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**PUBLIC UTILITY COMMISSION
OF TEXAS**

**COMMISSION STAFF'S RECOMMENDATION ON ADMINISTRATIVE
COMPLETENESS AND PROPOSED PROCEDURAL SCHEDULE**

COMES NOW the Staff of the Public Utility Commission of Texas (Commission), representing the public interest, and in response to Order No. 2, files this Recommendation on Administrative Completeness and Proposed Procedural Schedule. Staff recommends that the application be deemed administratively incomplete. In support thereof, Staff shows the following:

I. BACKGROUND

On March 13, 2020, Montgomery County MUD (MC MUD) and the City of Conroe (Conroe) (collectively, Applicants) filed an application for Sale, Transfer, or Merger (STM) of facilities and certificate rights in Montgomery County. Specifically, MC MUD seeks approval of the transfer of all of its water and sewer service areas held under water certificate of convenience and necessity number (CCN) 13258 and sewer CCN number 21104 to Conroe's water CCN number 10339 and sewer CCN number 20135. The requested sale and transfer include 174 acres and 568 water connections and 549 sewer connections in Montgomery County.

On April 14, 2020, Order No. 2 was issued establishing a deadline of April 27, 2020, for Staff to file a recommendation on the administrative completeness of the application and notice and propose a procedural schedule for further processing of the application. Therefore, this pleading is timely filed.

II. ADMINISTRATIVE COMPLETENESS

As detailed in the attached memorandum from Elisabeth English in the Commission's Infrastructure Division, Staff has reviewed the application and recommends that it be found administratively incomplete. Specifically, Staff has identified deficiencies in the mapping content.

Staff recommends that Applicants submit additional mapping information, as further detailed in the attached memorandum.

III. COMMENTS ON PROCEDURAL SCHEDULE

In accordance with Staff's deficiency recommendation, Staff does not propose a procedural schedule for further processing of the docket at this time. Staff recommends that Applicants be ordered to cure the deficiencies identified in Ms. English's memorandum by May 27, 2020, and that Staff be given a deadline of June 26, 2020, to file a supplemental recommendation on the administrative completeness of the application. Staff notes that Applicants should not issue notice until the application is found administratively complete. Staff intends to propose a procedural schedule alongside a subsequent recommendation for application sufficiency.

IV. CONCLUSION

For the reasons stated above, Staff respectfully recommends that the application be found administratively incomplete at this time and that Applicants be ordered to file a supplement addressing the identified deficiencies in the application by May 27, 2020.

Dated: April 27, 2020

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Rachelle Nicolette Robles
Division Director

Heath D. Armstrong
Managing Attorney

/s/ Rustin Tawater
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DOCKET NO. 50659

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 27, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Rustin Tawater
Rustin Tawater

PUC Interoffice Memorandum

To: Rustin Tawater, Attorney
Legal Division

From: Elisabeth English, Engineering Specialist
Infrastructure Division

Date: April 27, 2020

Subject: **Docket No. 50659**, *Application of Montgomery County Municipal Utility District No. 126 and City of Conroe for Sale, Transfer, or Merger of Facilities and Certificates Rights in Montgomery County*

On March 13, 2020, City of Conroe (Conroe) and Montgomery County Municipal Utility District No. 126 (Montgomery MUD 126) (collectively “Applicants”) filed an application for Sale, Transfer, or Merger (STM) of certificate rights and facilities in Montgomery County, Texas. The STM application is being reviewed consistent with 16 Texas Administrative Code (TAC) §§ 24.227 and 24.239 and Texas Water Code (TWC) §§ 13.241, 13.246, and 13.301.

Conroe seeks approval for the purchase of Montgomery MUD 126’s facilities and to transfer Montgomery MUD 126’s water and sewer Certificate of Convenience and Necessity (CCN) No.’s 13258 and 21104. In addition, Conroe requests an amendment to their water and sewer CCN No.’s 10339 and 20135, respectively, for the area transferred from Montgomery MUD 126. The requested area to be transferred is the total of approximately 174 acres for both water and sewer. Montgomery MUD 126 has 568 and 549 existing water and sewer connections, respectively, to be transferred as a result of the proposed transaction.

Staff recommends that the STM application be deemed administratively incomplete and not accepted for filing at this time. Staff requests that the Applicants supplement their STM application addressing the mapping deficiencies discussed below. The Applicants general location and detailed maps do not accurately show the requested water and sewer areas subject to the proposed transaction. The requested areas should reflect the same boundaries as the existing CCN boundaries for Montgomery MUD 126’s 13258 and 21104 to be transferred to Conroe’s CCN Nos. 10339 and 20135.

The Applicants must file the following items to resolve the mapping deficiencies:

- Revised general location maps identifying the requested water and sewer areas, in reference to the nearest county boundary, city, or town. Provide a separate general location map for both the requested water and sewer areas.
- Detailed maps identifying the requested water and sewer areas, in reference to verifiable man-made and natural landmarks, such as roads, rivers, and railroads. Provide a separate detailed map for both the requested water and sewer areas.

Staff recommends that the Applicants use the Commission’s Water and Sewer CCN Viewer to create the required general location and detailed maps available at: <https://www.puc.texas.gov/industry/water/utilities/map.aspx>. Furthermore, the Applicants may obtain further mapping guidance and assistance from Ms. Tracy Montes, via phone ((512) 936-7187) or email (tracy.montes@puc.texas.gov), regarding the mapping deficiencies.