



Control Number: 50745



Item Number: 18

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DOCKET NO. 50745

**APPLICATION OF LAKESIDE §
MUNICIPAL UTILITY DISTRICT NO. 3 §
AND MANVILLE WATER SUPPLY §
CORPORATION TO DECERTIFY AREA §
FROM MANVILLE WATER SUPPLY §
CORPORATION'S CERTIFICATE OF §
CONVENIENCE AND NECESSITY IN §
TRAVIS AND WILLIAMSON COUNTIES §**

**PUBLIC UTILITY COMMISSION
OF TEXAS**

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

COME NOW the Staff of the Public Utility Commission of Texas (Staff), Lakeside Municipal Utility District No. 3 (Lakeside MUD No. 3), and Manville Water Supply Corporation (Manville WSC) (collectively, the Parties), and file this agreed motion to admit evidence and proposed notice of approval. In support thereof, the Parties would show the following:

I. BACKGROUND

On April 8, 2020, Lakeside MUD No. 3 filed an application to decertify a portion of Manville WSC's water certificate of convenience and necessity (CCN) No. 11144 in Travis and Williamson Counties. Lakeside MUD No. 3 asserts that the area requested for decertification is encompassed by the boundaries of all phases of The Commons at Rowe Lane subdivision, which consists of 283 acres with 754 current customers. On July 7, 2020, Lakeside MUD No. 3 and Manville WSC filed an amended application, adding Manville WSC as a joint applicant, including additional information, and moving to restyle the docket.

On September 28, 2020, Order No. 6 was filed, requiring the Parties to file joint proposed findings of fact and conclusions of law by December 14, 2020. This pleading, therefore, is timely filed.

II. MOTION TO ADMIT EVIDENCE

The Parties request that the following items be admitted into the record: (a) the application of Lakeside MUD No. 3, filed on April 8, 2020 (Interchange Item No. 1); (b) the joint amended application of Lakeside MUD No. 3 and Manville WSC, filed on July 7, 2020 (Interchange Item No. 10); (c) Staff's recommendation on administrative completeness, filed on

August 18, 2020 (Interchange Item No. 11); (d) Lakeside MUD No. 3 and Manville WSC's affidavits and proof of notice, filed on September 17, 2020 (Interchange Item No. 13); (e) Staff's recommendation on sufficiency of notice, filed on September 25, 2020 (Interchange Item No. 14); (f) Lakeside MUD No. 3 and Manville WSC's signed consent forms, filed on November 23, 2020 (Interchange Item No. 16); and (g) Staff's final recommendation, with attached map and certificate, filed on December 3, 2020 (Interchange Item No. 17).

III. PROPOSED NOTICE OF APPROVAL

The Parties offer the attached Proposed Notice of Approval to decertify area from Manville WSC's water CCN No. 11144.

IV. CORRECTION

Staff offers a correction to its final recommendation, filed on December 3, 2020. In that recommendation, Staff described the service area in question as being comprised of 238 acres. This description was an inadvertent transposition; the proper acreage of the service area in question is comprised of 283 acres.

V. CONCLUSION

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

Dated: December 14, 2020

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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DOCKET NO. 50745

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 on December 14, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Creighton R. McMurray
Creighton R. McMurray

DOCKET NO. 50745

APPLICATION OF LAKESIDE	§	PUBLIC UTILITY COMMISSION
MUNICIPAL UTILITY DISTRICT NO. 3	§	
AND MANVILLE WATER SUPPLY	§	OF TEXAS
CORPORATION TO DECERTIFY AREA	§	
FROM MANVILLE WATER SUPPLY	§	
CORPORATION’S CERTIFICATE OF	§	
CONVENIENCE AND NECESSITY IN	§	
TRAVIS AND WILLIAMSON COUNTIES	§	

PROPOSED NOTICE OF APPROVAL

This Proposed Notice of Approval addresses the joint application of Lakeside Municipal Utility District No. 3 (Lakeside MUD No. 3) and Manville Water Supply Corporation (Manville WSC) to decertify a portion of Manville WSC’s water certificate of convenience and necessity (CCN) number 11144 in Travis and Williamson counties. The Commission decertifies the portion of Manville WSC’s water CCN number 11144 to remove the requested service area.

I. Findings of Fact

The Commission makes the following findings of fact:

Applicants

1. Lakeside MUD No. 3 is a municipal utility district formed under Texas Water Code (TWC) chapter 54.
2. Lakeside MUD No. 3 operates, maintains, and controls facilities for providing water service in Travis and Williamson counties.
3. Lakeside MUD No. 3 provides water service from Texas Commission on Environmental Quality (TCEQ) public water system (PWS) identification number 2270422.
4. Manville WSC is a non-profit corporation, chartered with the Texas Secretary of State under number 26785701.
5. Manville WSC operates, maintains, and controls facilities for providing water service under CCN number 11144 in Travis and Williamson counties.
6. Manville WSC provides water service from TCEQ PWS identification number 2270033.

Application

7. On April 8, 2020, Lakeside MUD No. 3 filed an application to decertify a portion of Manville WSC's water CCN number 11144 in Travis and Williamson counties.
8. On July 7, 2020, Lakeside MUD No. 3 and Manville WSC jointly filed an amended application.
9. The requested water service area to be decertified consists of 283 acres and 754 current customers.
10. The requested water service area is located as follows: Approximately 0 miles west of downtown Pflugerville and within Pflugerville's extraterritorial jurisdiction, bounded on the north by Country Road 138, on the east by County Road 137, on the south by Rowe Lane, and on the west by State Highway 130.
11. In Order No. 5 filed on August 19, 2020, the administrative law judge (ALJ) deemed the application administratively complete.

Notice

12. On September 17, 2020, Lakeside MUD No. 3 and Manville WSC filed the affidavit of J.D. Scott, Lakeside MUD No. 3's authorized representative, attesting that notice was mailed to neighboring utilities, county authorities, municipalities, customer, and affected parties on September 1 and September 3, 2020.
13. On September 17, 2020, Lakeside MUD No. 3 and Manville WSC filed a publisher's affidavit attesting to publication of notice in the *Austin American Statesman*, a newspaper of general circulation in Travis and Williamson counties, on September 2 and 9, 2020.
14. In Order No. 6 filed on September 28, 2020, the ALJ deemed notice sufficient.

Map and Certificate

15. On November 9, 2020, Commission Staff emailed the proposed final map and certificate to Lakeside MUD No. 3 and Manville WSC.
16. On November 23, 2020, Lakeside MUD No. 3 filed the signed consent to the proposed map and certificate for both Lakeside MUD No. 3 and Manville WSC.
17. On December 3, 2020, Commission Staff filed the proposed map and certificate as an attachment to its final recommendation.

Evidentiary Record

18. On December 14, 2020, the Parties filed an agreed motion to admit evidence and proposed notice of approval.
19. In Order No. __ filed on _____, the ALJ admitted the following evidence into the record of this proceeding: (a) the application of Lakeside MUD No. 3, filed on April 8, 2020; (b) the joint amended application of Lakeside MUD No. 3 and Manville WSC, filed on July 7, 2020; (c) Commission Staff's recommendation on administrative completeness, filed on August 18, 2020; (d) Lakeside MUD No. 3 and Manville WSC's affidavits and proof of notice, filed on September 17, 2020; (e) Commission Staff's recommendation on sufficiency of notice, filed on September 25, 2020; (f) Lakeside MUD No. 3 and Manville WSC's signed consent forms, filed on November 23, 2020; and (g) Commission Staff's final recommendation, with attached map and certificate, filed on December 3, 2020.

Ability to Render Continuous and Adequate Service—Texas Water Code (TWC) § 13.250(a)

20. By agreement, every present and future customer within the requested area will be served by Lakeside MUD No. 3.

Reduction of Service—TWC § 13.250(b), (c), (d)

21. Neither the present nor future service provided within the boundaries of Manville WSC's CCN number 11144 will be adversely affected by the reduction in the CCN area, as Manville WSC will still provide continuous and adequate service to its remaining areas.

New Service Provider—TWC § 13.254(c)

22. Lakeside MUD No. 3 has consented to provide service to the requested area, which is located within its boundaries.

Adequate Compensation—TWC § 13.254(d), (g)

23. Lakeside MUD No. 3 and Manville WSC have agreed to a wholesale water supply contract, through which Lakeside MUD No. 3 will purchase water from Manville WSC, which serves as compensation for the decertification

Service After Decertification—TWC § 13.254(h)

24. After decertification of the requested area, Manville WSC will no longer be obligated to serve the area.
25. After decertification of the requested area, Lakeside MUD No. 3 will serve customers in the requested area, which is located within its boundaries.

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

26. Lakeside MUD No. 3 has a TCEQ approved PWS identification number 2270422. Lakeside MUD No. 3 does not have any violations listed in the TCEQ database.

Need for Additional Service—TWC § 13.246(c)(2); 16 TAC § 24.227(e)(2)

27. There is a need for service because there are currently 754 current customers and a projected 942 single family residential lots, an amenity center, and three irrigation lines that will require service in the requested area.

Effect of Granting the Application—TWC § 13.246(c)(3); 16 TAC § 24.227(e)(3)

28. Manville WSC will supply treated drinking water to Lakeside MUD No. 3 under a wholesale water contract.

29. Lakeside MUD No. 3 and Manville WSC provided proper notice of the application to water retail public utilities serving the proximate area and no protests or adverse comments were filed. Therefore, there will not be any effect on any water retail public utilities serving the proximate area.

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

30. Lakeside MUD No. 3 provides service through its TCEQ approved PWS identification number 2270422 and will have adequate capacity to meet the current and projected demands in the requested area.

31. Manville WSC is supplying water to Lakeside MUD No. 3 under the wholesale water supply contract attached to the amended application as Exhibit A. This contract will remain in effect after the decertification of Lakeside MUD No. 3 from the CCN, which will allow Lakeside MUD No. 3 to continue to provide continuous and adequate retail service.

32. Lakeside MUD No. 3 does not have any violations listed in the TCEQ database.

33. Lakeside MUD No. 3 has the managerial and technical capability to provide continuous and adequate service to the requested area.

Feasibility of Obtaining Service from Adjacent Utilities—TWC § 13.246(c)(5); 16 TAC § 24.227(e)(6)

34. It is not economically feasible for an adjacent retail public utility to provide service to the requested area. The area is currently certificated to Manville WSC and is located within Lakeside MUD No. 3's boundaries.

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

35. No physical changes are being made to the land as a result of this decertification. Therefore, decertification will have no effect on the environmental integrity of the land.

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

36. Lakeside MUD No. 3 will continue to provide water service to the existing customers in the area with no change to the cost to customers.

Informal Disposition

37. More than 15 days have passed since the completion of notice provided in this docket

38. Lakeside MUD No. 3, Manville WSC, and Commission Staff are the only parties to this proceeding.

39. No hearing is needed.

40. Commission Staff recommended that the application, as amended, be approved.

41. 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 this proceeding under TWC §§ 13.041, 13.246, 13.250, and 13.254.
2. Manville WSC is a retail public utility as defined in TWC § 13.002(19) and a water supply corporation as defined in 16 TAC § 24.3(40).
3. Lakeside MUD No. 3 is a municipal utility district operating under Chapters 49 and 54 of the Texas Water Code.
4. Notice of the application was provided in compliance with TWC § 13.246 and 16 TAC § 24.235.

5. The Commission processed the application in accordance with the requirements of the Administrative Procedure Act¹, the TWC, and Commission rules.
6. Lakeside MUD No. 3 possesses the managerial, and technical capability to provide continuous and adequate service to the requested area as required by TWC § 13.241(a) and 16 TAC § 24.227.
7. After considering the factors in TWC § 13.246(c) and 16 TAC § 24.227(e), Lakeside MUD No. 3 has demonstrated adequate managerial and technical capability to provide continuous and adequate service to the requested service area in Travis and Williamson Counties.
8. Manville WSC has demonstrated that amendment to CCN number 11144 by decertification 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(c).
9. Manville WSC must record a certified copy of its approved map and certificate, along with a boundary description of the service area, in the real property records of Travis and Williamson Counties within 31 days of receiving this Notice of Approval and submit evidence of the recording to the Commission in accordance with TWC § 13.257(r) and (s).
10. 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 grants Lakeside MUD No. 3 and Manville WSC's joint application to decertify a portion of Manville's water CCN number 11144 to include the requested area described in this Notice of Approval and shown on the attached map, effective the date of this Notice of Approval.
2. The Commission approves the map and certificate attached to this Notice of Approval. Manville WSC must serve every customer and applicant for service within the approved areas under CCN number 11144 who requests water service and meets the terms of Manville WSC's water service, and such service must be continuous and adequate.

¹ Tex. Gov't Code §§ 2001.001-902.

3. Manville WSC must comply with the recording requirements in TWC § 13.257(r) and (s) for the area in Travis and Williamson Counties affected by the application and file evidence of the recording in this docket no later than 31 days after receipt of this Notice of Approval.
4. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the ____ day of _____, 2020.

PUBLIC UTILITY COMMISSION OF TEXAS

ADMINISTRATIVE LAW JUDGE



Public Utility Commission of Texas

By These Presents Be It Known To All That

Manville Water Supply Corporation

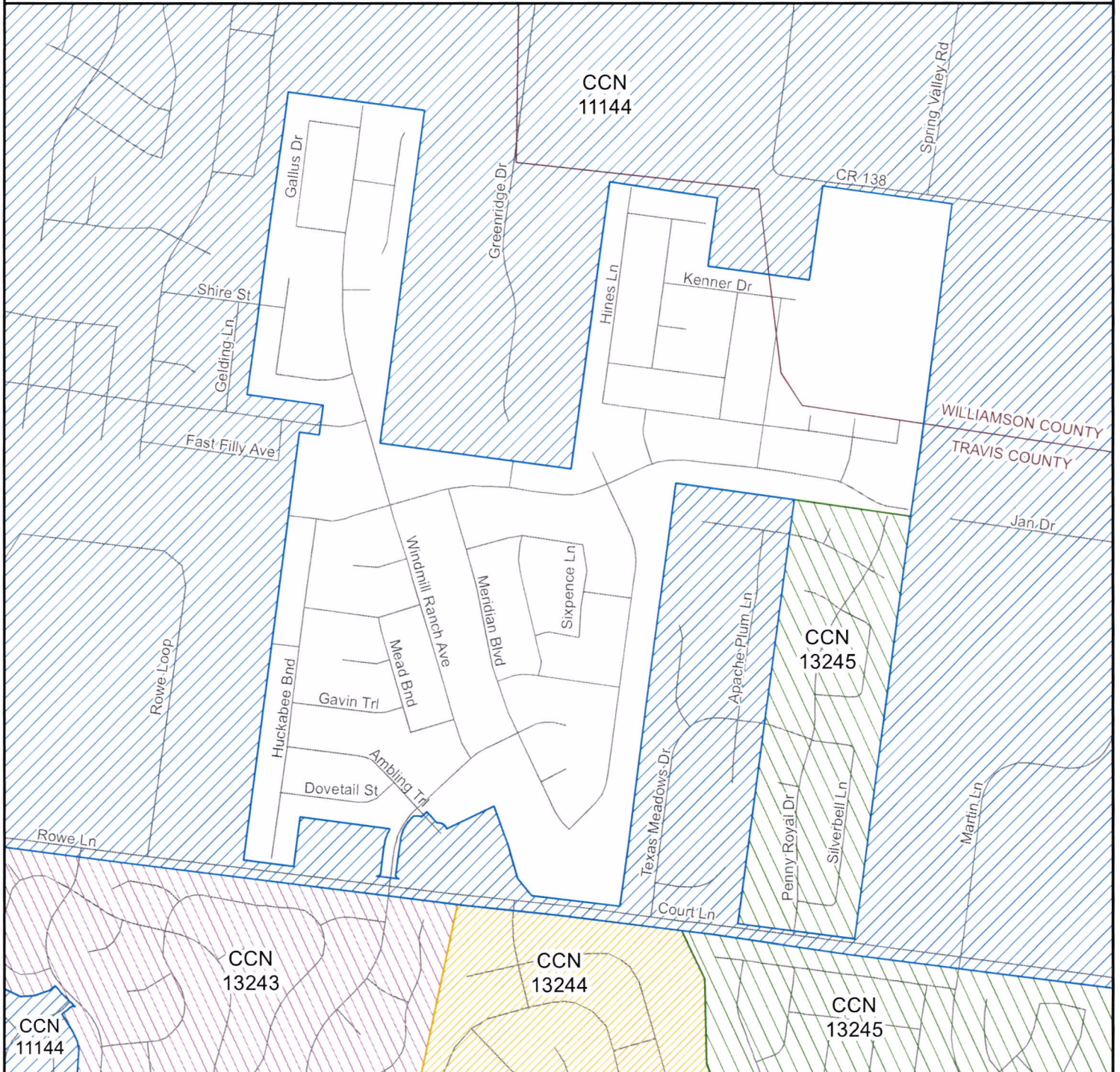
having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, Manville Water Supply Corporation is entitled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

Certificate of Convenience and Necessity No. 11144

to provide continuous and adequate water utility service to that service area or those service areas in Travis and Williamson Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 50745 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 Manville 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 _____ day of _____ 2020.

Manville Water Supply Corporation
 Portion of Water CCN No. 11144
 PUC Docket No. 50745
 Lakeside MUD 3 Decertified a Portion of CCN No. 11144 in Travis and Williamson Counties



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

Water CCN

-  11144 - Manville WSC
-  13245 - Lakeside WCID 2C
-  13244 - Lakeside WCID 2B
-  13243 - Lakeside WCID 1

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 Feet



Map by: Komal Patel
 Date created: November 2, 2020
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