



Control Number: 50745



Item Number: 22

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Peter M. Lake
Chairman
Will McAdams
Commissioner



Greg Abbott
Governor

2021 MAY 28 PM 12:31

Thomas J. Gleeson
Executive Director

Public Utility Commission of Texas

TO: Stephen Journeay
Commission Counsel

All Parties of Record

FROM: Gregory R. Siemankowski
Administrative Law Judge

A handwritten signature in dark ink, appearing to be "G. Siemankowski".

RE: **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*

DATE: May 28, 2021

Because of the COVID-19 state of disaster, the Commission has moved to a work at home environment and is working to maintain operations as normally as possible. However, all known challenges have not yet been overcome and the dates provided in this notice are subject to change.

Enclosed is the Proposed Order in the above-referenced case. By copy of this memo, the parties to this proceeding are being served with the Proposed Order.

Please place this docket on an open meeting agenda for the Commissioners' consideration. Please notify me and the parties of the open meeting date. The parties must file corrections or exceptions to the Proposed Order on or before June 8, 2021.

If a party proposes a correction or exception, the party must fully explain the correction or exception and must provide a citation to the record to support the correction or exception.

If there are no corrections or exceptions, no response is necessary.

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22

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 ORDER

This Order addresses the application of Lakeside Municipal Utility District No. 3 and Manville Water Supply Corporation to decertify a portion of Manville WSC's service area under water certificate of convenience and necessity (CCN) number 11144 in Travis and Williamson counties. The Commission amends Manville WSC's water CCN number 11144 by decertification of the 283 acres as described in this Order.

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 chapter 54 of the Texas Water Code (TWC).
2. Lakeside MUD No. 3 operates, maintains, and controls facilities for providing water service in Travis and Williamson counties.
3. Lakeside MUD No. 3 owns and operates a public water system approved by the Texas Commission on Environmental Quality (TCEQ) under identification number 2270422.
4. Lakeside MUD No. 3 does not currently hold a CCN, is not seeking to obtain a CCN as part of the application, and approval of the application will result in only in the decertification of a portion of Manville WSC's certificated service area under CCN number 11144.

5. Manville WSC is a non-profit corporation registered with the Texas Secretary of State under file number 26785701.
6. Manville WSC operates, maintains, and controls facilities for providing water service under CCN number 11144 in Travis and Williamson counties.
7. Manville WSC owns and operates a public water system approved by the TCEQ under identification number 2270033.

Application

8. On April 8, 2020, Lakeside MUD No. 3 filed an application to decertify a portion of Manville WSC's certificated service area under CCN number 11144 in Travis and Williamson counties.
9. On July 7, 2020, Lakeside MUD No. 3 and Manville WSC jointly filed an amended application, adding Manville WSC as a joint applicant, including additional information, and moving that the application be restyled to reflect the joint applicants.
10. The water service area, to be decertified, consists of 283 acres and 754 current customers.
11. The 283 acres is located zero miles west of downtown Pflugerville within Pflugerville's extraterritorial jurisdiction and is bounded on the north by County Road 138; on the east by County Road 137; on the south by Rowe Lane; and on the west by State Highway 130.
12. In Order No. 5 filed on August 19, 2020, the administrative law judge (ALJ) found the application, as amended, administratively complete and restyled the application.

Notice

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

Evidentiary Record

16. On December 14, 2020, Lakeside MUD No. 3, Manville WSC, and Commission Staff filed an agreed motion to admit evidence.
17. In Order No. 7 filed on May 27, 2021, the ALJ admitted the following evidence into the record of this proceeding: (a) Lakeside MUD No. 3's application and attachments filed on April 8, 2020; (b) Lakeside MUD No. 3 and Manville WSC's amended application and attachments 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 of 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—TWC § 13.250(a)

18. By agreement, every present and future customer within the 283 acres will be served by Lakeside MUD No. 3.

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

19. 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 CCN area, as Manville WSC will still provide continuous and adequate service to its remaining areas.

New Service Provider—TWC § 13.254(c)

20. Lakeside MUD No. 3 has consented to provide service to the 283 acres located within its boundaries.

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

21. 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 and serves as compensation for the decertification.

Service After Decertification—TWC § 13.254(h)

22. After decertification of the 283 acres, Manville WSC will no longer be obligated to serve the area.

23. After decertification of the 283 acres, Lakeside MUD No. 3 will serve the 754 existing customers.

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

24. Lakeside MUD No. 3 has an approved TCEQ public water system, identification number 2270422.
25. 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)

26. There is a need for service to continue 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 area to be decertified.

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

27. Manville WSC will supply treated drinking water to Lakeside MUD No. 3 under a wholesale water contract.
28. Approving the amendment will obligate Lakeside MUD No. 3 to provide service to current and future customers in the 283 acres.
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 a TCEQ-approved public water system 2270422 and has adequate capacity to meet the current and projected demands in the 283 acres.
31. Manville WSC will supply 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 Manville WSC from CCN number 11144, which will allow Lakeside MUD No. 3 to continue to provide continuous and adequate retail water service.

32. 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)

33. It is not economically feasible for an adjacent retail public utility to provide service to the 283 acres because 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)

34. No physical changes are being made to the land as a result of the decertification; therefore, decertification will have no effect on the environmental integrity or effect on the land.

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

35. Lakeside MUD No. 3 will continue to provide water service to the existing customers in the 283 acres with no change in cost to customers.

Map and Certificate

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

Informal Disposition

39. More than 15 days have passed since the completion of notice provided in this docket.
40. No person filed a protest or motion to intervene.
41. Lakeside MUD No. 3, Manville WSC, and Commission Staff are the only parties to this proceeding.
42. No party requested a hearing and no hearing is needed.
43. Commission Staff recommended approval of the amended application.

44. 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, 13.242, 13.246, and 13.250.
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 TWC.
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 Act,¹ the TWC, and Commission rules.
6. Lakeside MUD No. 3 possesses the managerial and technical capability to provide continuous and adequate service to the decertified area as required by TWC § 13.241(a) and 16 TAC § 24.227.
7. After evaluating 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 decertified 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 Order and submit evidence of the recording to the Commission in accordance with TWC § 13.257(r) and (s).

¹ Tex. Gov't Code §§ 2001.001-902.

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 amends Manville WSC's water CCN number 11144 by decertification of the 283 acres as described in this Order and shown on the attached map.
2. The Commission issues the certificate attached to this Order.
3. The Commission approves the map attached to this Order.
4. Manville WSC must serve every customer and applicant for service within the areas approved under CCN number 11144 who requests water service and meets the terms of Manville WSC's water CCN number 11144 and such service must be continuous and adequate.
5. 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 45 days after receipt of this Order.
6. 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 _____ 2021.

PUBLIC UTILITY COMMISSION OF TEXAS

PETER M. LAKE, CHAIRMAN

WILL MCADAMS, COMMISSIONER



Public Utility Commission of Texas

By These Presents Be It Known To All That

Manville Water Supply Corporation

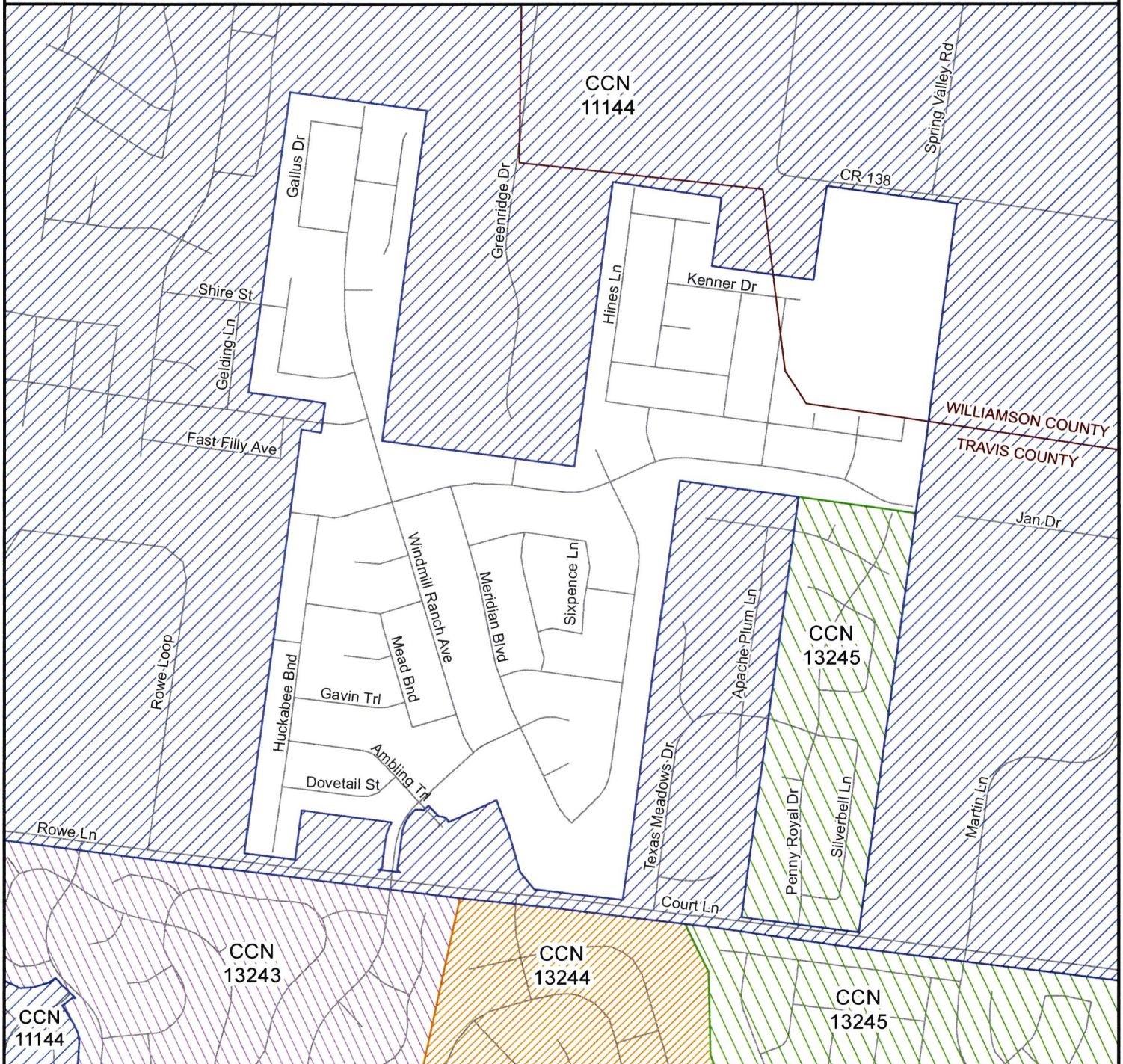
having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, Manville Water Supply Corporation is entitled 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 _____ 2021.

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

0 450 900
 Feet



Map by: Komal Patel
 Date created: November 2, 2020
 Project Path: n:\finalmapping\
 50745ManvilleWSC.mxd