



Control Number: 50927



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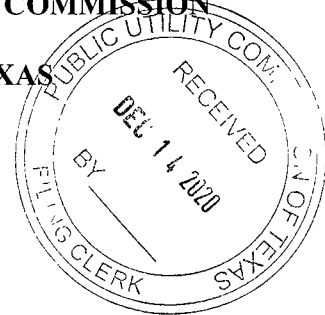
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DOCKET NO. 50927

**PETITION OF THE CITY OF
MESQUITE AND TALTY SPECIAL
UTILITY DISTRICT FOR APPROVAL
OF A SERVICE AREA CONTRACT
UNDER TEXAS WATER CODE
§ 13.248 AND TO AMEND
CERTIFICATES OF CONVENIENCE
AND NECESSITY IN KAUFMAN
COUNTY**

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**PUBLIC UTILITY COMMISSION
OF TEXAS**



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

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, Notice, and Proposed Procedural Schedule. Staff recommends that the petition be deemed administratively incomplete and that the Petitioners be ordered to address the identified deficiencies. In support thereof, Staff shows the following:

I. BACKGROUND

On June 15, 2020, the City of Mesquite (Mesquite) and Talty Special Utility District (Talty SUD) (collectively, Petitioners) filed a petition for approval of a service area contract under Texas Water Code (TWC) § 13.248 and to amend water Certificates of Convenience and Necessity (CCN) in Kaufman County. The requested area totals approximately 6,180 feet in Kaufman County (2,700 feet along FM 741, 670 feet along Dozier Circle, and 2,810 feet along High Country Lane) and contains connections to 23 customers.

On November 30, 2020, the administrative law judge (ALJ) filed Order No. 3, establishing a deadline of December 14, 2020 for Staff to file a new recommendation on the administrative completeness of the petition as an application for approval of a service-area contract, the sufficiency of notice, and to propose a procedural schedule. Therefore, this pleading is timely filed.

II. ADMINISTRATIVE COMPLETENESS

As directed by the ALJ in Order No. 3, Staff has reviewed the petition as an application for approval of a service-area contract. As detailed in the attached memorandum of Jolie Mathis, Infrastructure Division, Staff recommends that it be found administratively incomplete at this time. Staff does not address the merits of the amended petition at this time. Staff recommends that the Petitioners be ordered to cure the deficiencies identified in Ms. Mathis's memorandum by January 13, 2021 and that Staff be given a deadline of February 12, 2021 to file a second supplemental recommendation on the administrative completeness of the petition.

III. COMMENTS ON PROCEDURAL SCHEDULE

In accordance with Staff's deficiency recommendation, Staff does not propose a procedural schedule for further processing of this docket at this time. Staff intends to propose a procedural schedule along with the second supplemental recommendation on the administrative completeness of the petition, if appropriate.

IV. CONCLUSION

On the above basis, Staff respectfully recommends that the petition be found administratively incomplete at this time, and that the Petitioners be ordered to file a supplement addressing the identified deficiencies in the petition by January 13, 2021.

Dated: December 14, 2020

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF
TEXAS LEGAL DIVISION**

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/s/ Justin C. Adkins
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**DOCKET NO. 50927
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 December 14, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Justin C. Adkins
Justin C. Adkins

PUC Interoffice Memorandum

To: Justin Adkins, Attorney
Legal Division

From: Jolie Mathis, Utility Engineering Specialist
Infrastructure Division

Date: December 14, 2020

Subject: **Docket No. 50927:** *Petition of City of Mesquite and Talty Special Utility District for Approval of a Service Area Contract Under Texas Water Code § 13.248 and to Amend a Certificate of Convenience and Necessity in Kaufman County*

On June 15, 2020, the City of Mesquite (Mesquite) and Talty Special Utility District (Talty SUD) (collectively, Petitioners) filed a petition for approval of a contract designating Certificate Convenience and Necessity (CCN) service areas under Texas Water Code (TWC) § 13.248. Specifically, Petitioners seek to amend Mesquite's water CCN No. 10060 and Talty SUD's CCN No. 10850 in Kaufman County, Texas. The Petitioners' TWC § 13.248 service area contract is being reviewed in accordance with 16 Texas Administrative Code (TAC) § 24.253.

The Petitioners filed an agreement requesting Talty SUD be permitted to transfer a portion of its water service area under CCN No. 10850 to Mesquite's CCN No. 10060. Specifically, Mesquite and Talty SUD entered into a contractual agreement which permits Mesquite to provide water services within the agreed upon water service area. The Petitioners will transfer assets and facilities under the terms of the agreement. The water service area the Petitioners contracted to transfer consists of approximately 131 acres and 23 customers.

Based on my review of the petition, I recommend that the petition be deemed administratively incomplete and not accepted for filing due to the deficiency detailed below:

The Petitioners did not submit documentation to satisfy the notice requirement under 16 TAC § 24.253(c)(1), which requires individual notice be provided to affected customers. After notice to the affected customers is provided, I recommend that the Petitioners file an affidavit attesting to the date that notice was provided and a copy of the notice that was sent.