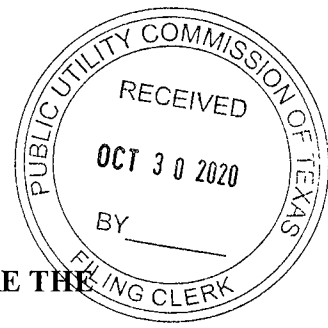


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PUC DOCKET NO. 50927

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

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BEFORE THE

PUBLIC UTILITY COMMISSION

OF TEXAS

THE CITY OF MESQUITE'S REQUEST FOR A RULING

COMES NOW, the City of Mesquite (City) and files this Request for a Ruling on the City of Mesquite's Response to the Commission Staff's (Staff) Recommendation on Administrative Completeness and Proposed Procedural Schedule.

On July 15, 2020, the Staff filed its Commission Staff's Recommendation on Administrative Completeness and Proposed Procedural Schedule whereby the Staff declared the City's and Talty Special Utility District's Petition administratively incomplete because, according to the Staff, a Texas Water Code § 13.301 Sale, Transfer, Merger Application is required in order to transfer facilities. The City responded on July 17, 2020 noting that Texas Water Code § 13.301 only applies to transactions involving a "utility" or a "water supply or sewer service corporations" and does not apply to transactions between two political subdivisions. The Commission Staff, in its August 21, 2020 reply to the City's Response agreed that the City and Talty SUD are not subject to Texas Water Code § 13.301, but nevertheless declared without support that it would be in the "public's best interest to have additional oversight to occur between the certificated entities."

The Commission Staff's arguments are inconsistent with both the plain reading of Texas Water Code §§ 13.248 and 13.301, and previous treatment of these types of applications by the Public Utility Commission. Specifically, in PUC Docket No. 48569, Application of Denton

County Fresh Water Supply District No. 10 for Partial Decertification of Its CCN Service Area and Approval of a Service Area Contract With Mustang Special Utility District Under Texas Water Code § 13.248 in Denton County, the PUC approved an agreement under Texas Water Code § 13.248 without requiring the filing of a Section 13.301 Application, that involved the transfer of service area, customers, and facilities. It should also be noted that if the Commission Staff believes it needs additional information to review the agreement, it may issue a request for information. But requiring entities that are not subject to Section 13.301 to file such an application under that section goes beyond the PUC's authority.

The City respectfully requests that the Administrative Law Judge rule on the City's Response to the Commission Staff's Recommendation on Administrative Completeness and Proposed Procedural Schedule and determine that a sale, transfer, merger application is not required in this matter, and order the Staff to reconsider the administrative completeness of the Petition as it was submitted on June 18, 2020.

Respectfully Submitted,

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Emily W. Rogers
Attorney for the City of Mesquite

CERTIFICATE OF SERVICE

I certify that a copy of this document was served on the PUC Staff, Justin Adkins at Justin.Adkins@puc.texas.gov, and Talty SUD at Corey Trail at ctrail@taltysud.com via email on October 30, 2020, in accordance with the requirements of 16 Tex. Admin. Code § 22.74 and PUC Order No 1 in Docket No. 50664.



Emily W. Rogers