



Control Number: 51124



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DOCKET NO. 51124

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**PETITION OF THE CITY OF PHARR
AND THE CITY OF SAN JUAN FOR
APPROVAL OF SERVICE AREA
CONTRACT UNDER THE TEXAS
WATER CODE § 13.248 AND TO
AMEND CERTIFICATES OF
CONVENIENCE AND NECESSITY IN
HIDALGO COUNTY**

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PUBLIC UTILITY COMMISSION

OF TEXAS

FILED
FILING CLERK

NOTICE OF APPROVAL

This Notice of Approval addresses the petition of the City of Pharr and the City of San Juan for approval of a service-area contract under Texas Water Code (TWC) § 13.248 and to amend Pharr's sewer certificate of convenience and necessity (CCN) number 20643 in Hidalgo County for dual certification with approximately 4,620 acres of San Juan's sewer CCN number 20791. The Commission approves the service-area contract and amends sewer CCN number 20643 accordingly.

I. Findings of Fact

The Commission makes the following findings of fact.

Petitioners

1. Pharr is a home rule municipality.
2. Pharr operates, maintains, and controls facilities providing retail sewer service in Hidalgo County under CCN number 20643.
3. San Juan is a home rule municipality.
4. San Juan operates, maintains, and controls facilities providing retail sewer service in Hidalgo County under CCN number 20791.

Petition

5. On May 26, 2020, Pharr and San Juan entered into an agreement (the service-area contract) whereby they agreed to dual certification of approximately 4,620 acres between San Juan's sewer CCN number 20791 and Pharr's sewer CCN number 20643.

6. On July 29, 2020, the petitioners filed the petition at issue in this proceeding in which they seek approval of the service-area contract and to amend Pharr's sewer CCN number 20643 for dual certification with approximately 4,620 acres of San Juan's sewer CCN number 20791.
7. The petition included the service-area contract executed by the petitioners.
8. On September 2, October 5, and October 15, 2020, the petitioners filed supplemental information.
9. No transfer of sewer assets, facilities, or customers will occur between the petitioners as a result of the service-area contract or petition.
10. In Order No. 4 filed on November 17, 2020, the administrative law judge (ALJ) found the petition administratively complete.

Notice

11. On May 12, 2020, San Juan's City Council considered and approved the service-area contract at an open meeting.
12. On May 18, 2020, Pharr's City Council considered and approved the service-area contract at an open meeting.
13. The petition included a copy of the agenda and minutes from the May 12, 2020 San Juan open meeting and the May 18, 2020 Pharr open meeting. The petition also included: (1) the affidavit of Benjamin Arjona, San Juan's City Manager, attesting that public notice of San Juan's May 12, 2020 board meeting was provided at least 72 hours in advance of the meeting; and (2) the affidavit of Edward M. Wylie, Pharr's City Manager, attesting that public notice of Pharr's May 18, 2020 board meeting was provided at least 72 hours in advance of the meeting.
14. In Order No. 4 filed on November 17, 2020, the ALJ found the notice sufficient.

Map and Certificates

15. On December 10, 2020, Commission Staff emailed the proposed map and certificates to San Juan Pharr.
16. On January 22, 2021, San Juan filed its consent to the proposed sewer CCN map and certificates.

17. On January 22, 2021, Pharr filed its consent to the proposed sewer CCN map and certificates.
18. Although San Juan consented to a certificate, San Juan will not be issued a new certificate because the dual certification that will result from the service-area contract will not add or remove area from San Juan's existing CCN.
19. On January 29, 2021, Commission Staff filed a final recommendation that included the proposed map and certificates as attachments.

Evidentiary Record

20. On February 4, 2021, the parties filed a joint proposed notice of approval and motion to admit evidence.
21. In Order No. 6 filed on February 9, 2021, the ALJ admitted the following evidence into the record of this proceeding: (a) the petition and all attachments filed on July 29, 2020; (b) Pharr's supplements to the petition, filed on September 2 and October 5 and 15, 2020; (c) Commission Staff's second supplemental recommendation on administrative completeness and sufficiency of notice, filed on November 13, 2020; (d) Pharr's and San Juan's consent forms filed on January 22, 2021; and (e) Commission Staff's final recommendation and all attachments except for the certificate for CCN No. 20791 filed on January 29, 2021.

Informal Disposition

22. More than 15 days have passed since the completion of the notice provided in this docket.
23. No person filed a protest or motion to intervene.
24. San Juan, Pharr, and Commission Staff are the only parties to this proceeding.
25. No party requested a hearing and no hearing is needed.
26. Commission Staff recommended approval of the petition.
27. 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 the petition under TWC §§ 13.041 and 13.248.

2. San Juan and Pharr are retail public utilities as defined in TWC § 13.002(19) and 16 Texas Administrative Code (TAC) § 24.3(31).
3. Under TWC § 13.248, contracts between retail public utilities designating areas to be served by those retail public utilities, when approved by the Commission, are valid and enforceable and incorporated into the affected CCNs.
4. The petition meets the requirements of 16 TAC § 24.253.
5. Notice of the petition was provided in compliance with TWC § 13.248 and 16 TAC § 24.253(c).
6. The Commission processed the petition in accordance with the requirements of the Administrative Procedure Act,¹ the TWC, and Commission rules.
7. San Juan and Pharr are each required to record a certified copy of the approved map for the certificate amendment, along with a boundary description of their respective service areas, in the real property records of Hidalgo County within 31 days of receiving this Notice of Approval and submit to the Commission evidence of the recording as required by TWC § 13.257(r) and (s).
8. 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 approves the service-area contract to the extent provided in this Notice of Approval.
2. The Commission amends Pharr's CCN number 20643, as described in this Notice of Approval and as shown in the map filed by Commission Staff on January 29, 2021.
3. The Commission approves the map filed by Commission Staff on January 29, 2021.
4. The Commission issues the certificate filed by Commission Staff on January 29, 2021.

¹ Tex. Gov't Code §§ 2001.001--903.

5. Pharr must provide service to every customer and applicant for sewer service within the approved area under CCN number 20643 that requests sewer service and meets the terms of Pharr's sewer service and such service must be continuous and adequate.
6. Pharr must file in this docket proof of the recording required in TWC §§ 13.257(r) and (s) within 45 days after receipt of this Notice of Approval.
7. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

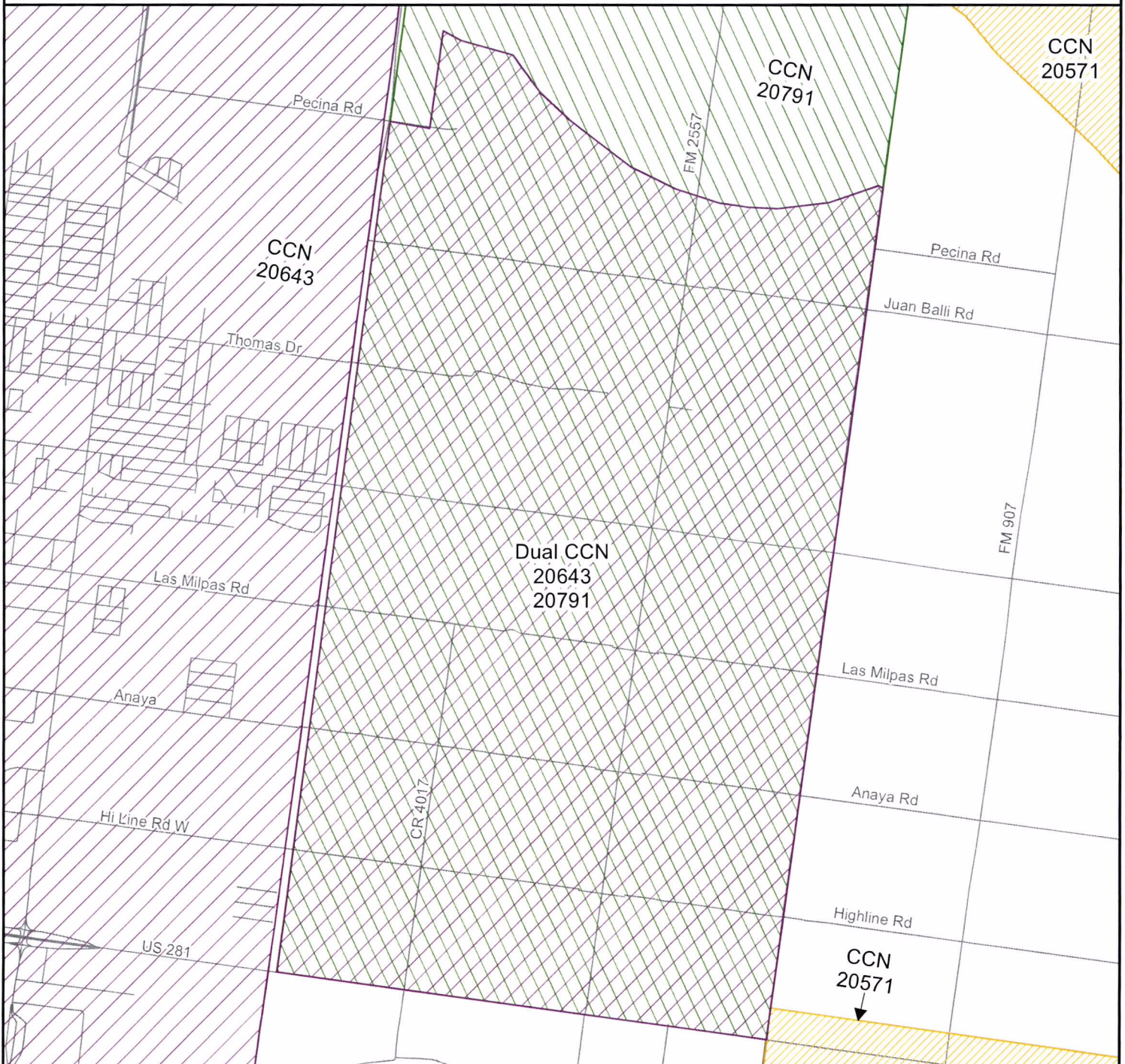
Signed at Austin, Texas the 9th day of February 2021.

PUBLIC UTILITY COMMISSION OF TEXAS

A handwritten signature in black ink, appearing to read 'G. R. Siemankowski', is written over a horizontal line.

**GREGORY R. SIEMANKOWSKI
ADMINISTRATIVE LAW JUDGE**

City of Pharr
Portion of Sewer CCN No. 20643
PUC Docket No. 51124
13.248 Agreement Amended CCN No. 20643 and
Obtained Dual Certification with City of San Juan, CCN No. 20791 in Hidalgo County



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

Sewer CCN

-  20643 - City of Pharr
-  20791 - City of San Juan
-  20571 - Military Highway WSC

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Feet



Map by: Komal Patel
Date created: December 7, 2020
Project Path: n:\finalmapping\
51124CityofPharr.mxd



Public Utility Commission of Texas

By These Presents Be It Known To All That

City of Pharr

having obtained certification to provide sewer 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, City of Pharr is entitled to this

Certificate of Convenience and Necessity No. 20643

to provide continuous and adequate sewer utility service to that service area or those service areas in Hidalgo County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 51124 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 City of Pharr 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 9th day of February 2020.