



## Filing Receipt

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<b>APPLICATION OF MONARCH UTILITIES I L.P. TO AMEND ITS CERTIFICATES OF CONVENIENCE AND NECESSITY IN HARRIS AND LIBERTY COUNTIES</b>	<b>§ § § § §</b>	<b>PUBLIC UTILITY COMMISSION  OF TEXAS</b>
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**ORDER NO. 16  
REQUIRING CLARIFICATION**

This Order addresses the need for clarification concerning the parties' proposed notice of approval filed on August 16, 2022, and Commission Staff's supplemental recommendation on final disposition filed on September 9, 2022.

Monarch Utilities I, L.P.'s response to question six of the application states:

This application is to amend Monarch's water and wastewater [certificates of convenience and necessity (CCNs)] to enable it to provide water and wastewater service, respectively, to a new residential community known as Los Pinos Estates in north Harris County. . The area requested is for the first phase (244 single family homes) of the total planned development. The development will be served by *new, stand alone water and wastewater systems*. No dual certification or decertification of CCN areas is required.<sup>1</sup>

Additionally, the proposed notice of approval and Commission Staff's supplemental recommendation state:

Monarch has facilities in the requested area to serve future customers, has sufficient capacity, and has plans approved by the [Texas Commission on Environmental Quality] for the water plant and distribution system that will provide additional service to the requested area. Therefore, it is not feasible to obtain service from an adjacent retail public utility.

When amending a water or sewer CCN to include an area that would require the construction of a new water or sewer system, the Commission's rules require applicants to provide, at a minimum, the items listed in 16 Texas Administrative Code (TAC) § 24.227(b) to demonstrate that regionalization or consolidation with another retail public utility is not economically feasible. While the administrative law judge (ALJ) was able to locate consent letters for Harris County Municipal Districts 515, 516, and 517,<sup>2</sup> the ALJ has been unable to locate evidence in the record

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<sup>1</sup> Application at 4 (emphasis added).

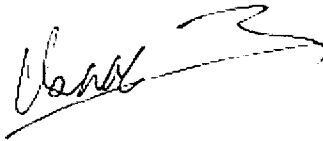
<sup>2</sup> Application at 31

of this proceeding demonstrating compliance with 16 TAC § 24.227(b) with respect to the remaining entities identified in attachment six to the application.<sup>3</sup> As such, the ALJ does not believe that the Monarch has demonstrated that regionalization or consolidation with another retail public utility is not economically feasible.

By September 30, 2022, Monarch must file clarification or additional evidence demonstrating that regionalization or consolidation with another retail public utility is not economically feasible. By October 7, 2022, Commission Staff must file responsive comments to Monarch's clarification or additional evidence. The parties must seek the admission of additional, relevant evidence into the record of this proceeding.

**Signed at Austin, Texas the 16th day of September 2022.**

**PUBLIC UTILITY COMMISSION OF TEXAS**



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**ADMINISTRATIVE LAW JUDGE**

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<sup>3</sup> The ALJ notes that the entities listed are within two miles of the outer boundary of the requested area while the Commission's rules only require consideration of regionalization or consolidation with an adjacent retail public utility within one half mile of the outer boundary of the requested area. *But see* 16 TAC § 24.227(e)(3), which requires the Commission to consider the effect of a CCN amendment on an adjacent retail public utility within two miles of the boundary of the requested area.