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Received - 2021-09-22 11:52:31 AM Control Number - 51979 ItemNumber - 44 Peter M. Lake Chairman Will McAdams Commissioner Lori Cobos

Jimmy Glotfelty

Commissioner

Commissioner



Greg Abbott
Governor
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

RE: **Docket No. 51979** – Petition of SIG Magnolia LP to Amend Dobbin Plantersville

Water Supply Corporation's Certificate of Convenience and Necessity in Montgomery

County by Expedited Release

DATE: September 22, 2021

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 by October 4, 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.

/lsw

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DOCKET NO. 51979

PETITION OF SIG MAGNOLIA LP TO	§	PUBLIC UTILITY COMMISSION
AMEND DOBBIN PLANTERSVILLE	§	
WATER SUPPLY CORPORATION'S	§	OF TEXAS
CERTIFICATE OF CONVENIENCE	§	
AND NECESSITY IN MONTGOMERY	§	
COUNTY BY EXPEDITED RELEASE	§	

PROPOSED ORDER

This Order addresses the petition by SIG Magnolia LP for streamlined expedited release of a tract of land in Montgomery County from the service area under certificate of convenience and necessity (CCN) number 11052. Dobbin Plantersville Water Supply Corporation is the holder of CCN number 11052. For the reasons stated in this Order, the Commission releases the tract of land from Dobbin Plantersville's certificated service area. In addition, the Commission amends Dobbin Plantersville's CCN number 11052 to reflect the removal of the tract of land from the service area.

Following entry of this Order, the Commission will determine the amount of compensation, if any, to be awarded Dobbin Plantersville, which will be addressed by separate order.

I. Findings of Fact

The Commission makes the following findings of fact.

Petitioner

1. SIG Magnolia is a Texas limited partnership registered with the Texas secretary of state under filing number 803257719.

CCN Holder

- 2. Dobbin Plantersville is a Texas non-profit corporation registered with the Texas secretary of state under filing number 37131501.
- 3. Dobbin Plantersville holds CCN number 11052 that obligates it to provide retail water service in its certificated service area in Montgomery County.

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Petition

- 4. On April 5, 2021, the petitioner filed a petition for streamlined expedited release of a tract of land from the CCN holder's service area under CCN number 11052.
- 5. The petition includes an affidavit, dated May 3, 2021, of Daniel K. Signorelli, the petitioner's manager; maps of the subject property and digital mapping data; and a special warranty capital contribution deed which includes metes and bounds descriptions of the parcels comprising the tract of land dated March 30, 2019.
- 6. On April 26, 2021, SIG Magnolia filed supplemental digital mapping data.
- 7. In Order No. 5 filed on May 28, 2021, the administrative law judge (ALJ) found the petition, as supplemented, administratively complete.
- 8. On June 24, 2021, the petitioner filed a response to the CCN holder's response to the petition and motion to dismiss, which includes the affidavits of Juanita Orsak, dated June 23, 2021, and Ryan Wade, dated June 24, 2021

Notice

- 9. The petitioner sent a copy of the petition by certified mail to the CCN holder on April 5, 2021.
- 10. In Order No. 5 filed on May 28, 2021, the ALJ found the notice sufficient.

Intervention

11. In Order No. 4 filed on May 12, 2021, the ALJ granted the CCN holder's motion to intervene.

Response to Petition

- 12. On June 17, 2021, the CCN holder filed a response to the petition.
- 13. The CCN holder's response includes the affidavit of Steve Duncan, the CCN holder's engineering consultant, with attachments; the affidavit of Janie Legge, the CCN holder's general manager, with attachments; and loan documents.

Motion to Dismiss

- 14. On June 17, 2021, the CCN holder filed a motion to dismiss.
- 15. On June 25, 2021, the CCN holder filed a supplement to the motion to dismiss.

16. In Order No. 7 filed on July 19, 2021, the ALJ denied the motions to dismiss.

Tract of Land

- 17. The tract of land is approximately 665.8 acres and is in Montgomery County.
- 18. The tract of land for which the petitioner seeks streamlined expedited release (the release property) is comprised of tract 1 having 303.862 acres; and tract 2 having 362.014 acres.
- 19. The release property is located within the CCN holder's certificated service area.

Ownership of the Tract of Land

20. The petitioner acquired the tract of land by a special warranty capital contribution deed dated March 30, 2019.

Qualifying County

- 21. Montgomery County has a population of more than 47,500 and is adjacent to Harris County.
- 22. Harris County has a population of at least one million.

Water Service

- 23. The release property is not receiving actual water service from the CCN holder.
- 24. The petitioner has not requested that the CCN holder provide water service to the release property.
- 25. There is no contractual arrangement, either verbal or written, whereby the CCN holder has committed to constructing facilities to serve the release property.
- 26. There are no water or sewer meters, lines, or other facilities owned by the CCN holder located within the release property. There is a 6-inch water line on a public right-of-way running next to the property.
- 27. The CCN holder has not committed or dedicated any facilities or lines to the release property for water service.
- 28. The CCN holder has no facilities or lines that provide water service to the release property.
- 29. The CCN holder has not performed any acts for or supplied anything to the release property.

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Map and Certificate

30. On July 1, 2021, Commission Staff filed its final recommendation that included a certificate and a map on which it identified the release property in relationship to the CCN holder's certificated service area.

II. Conclusions of Law

The Commission makes the following conclusions of law.

- 1. The Commission has authority over this petition for streamlined expedited release under Texas Water Code (TWC) §§ 13.254 and 13.2541.
- 2. The petitioner provided notice of the petition in compliance with 16 Texas Administrative Code (TAC) § 24.245(h)(3)(F).
- 3. No opportunity for a hearing on a petition for streamlined expedited release is provided under TWC §§ 13.254 or 13.2541 or 16 TAC § 24.245(h)(7).
- 4. Petitions for streamlined expedited release filed under TWC §§ 13.254 and 13.2541 and 16 TAC § 24.245(h) are not contested cases.
- 5. Landowners seeking streamlined expedited release under TWC §§ 13.254 and 13.2541 and 16 TAC § 24.245(h) are required to submit a verified petition through a notarized affidavit, and the CCN holder may submit a response to the petition that must be verified by a notarized affidavit.
- 6. To obtain release under TWC § 13.2541(b), a landowner must demonstrate that the landowner owns a tract of land that is at least 25 acres, that the tract of land is located in a qualifying county, and that the tract of land is not receiving service of the type that the current CCN holder is authorized to provide under the applicable CCN.
- 7. The petitioner owns a tract of land that is at least 25 acres and includes the release property for which it seeks streamlined expedited release through the petition.
- 8. Montgomery County is a qualifying county under TWC § 13.2541(b) and 16 TAC § 24.245(h)(2)
- 9. The release property is not receiving water service under TWC §§ 13.002(21) and 13.2541(b) and 16 TAC § 24.245(h), as interpreted in *Texas General Land Office v. Crystal*

- Clear Water Supply Corporation, 449 S.W. 3d 130 (Tex. App. Austin 2014, pet. denied).
- 10. The petitioner is entitled under TWC § 13.2541(b) to the release of the release property from the CCN holder's certificated service area.
- 11. After the date of this Order, the CCN holder has no obligation under TWC §13.254(h) to provide retail water service to the petitioner's release property.
- 12. The Commission has no authority to decertificate any facilities or equipment owned and operated by the CCN holder to provide retail water service through the streamlined expedited release process under TWC § 13.2541(b).
- 13. The Commission processed the petition in accordance with the TWC and Commission rules.
- 14. Under TWC § 13.257(r) and (s), the CCN holder is required to record certified copies of the approved certificate and map, along with a boundary description of the service area, in the real property records of Montgomery County no later than the 31st day after the date the CCN holder receives this Order.
- 15. A retail public utility may not under TWC § 13.254(d) provide retail water service to the public within the release property unless just and reasonable compensation under TWC § 13.254(g) has been paid to the CCN holder.

III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders.

- 1. The Commission releases the release property identified in the petition from the CCN holder's service area under CCN number 11052.
- 2. The Commission does not decertificate any of the CCN holder's equipment or facilities that may lay on or under the release property.
- 3. The Commission amends CCN number 11052 in accordance with this Order.
- 4. The Commission approves the attached map.

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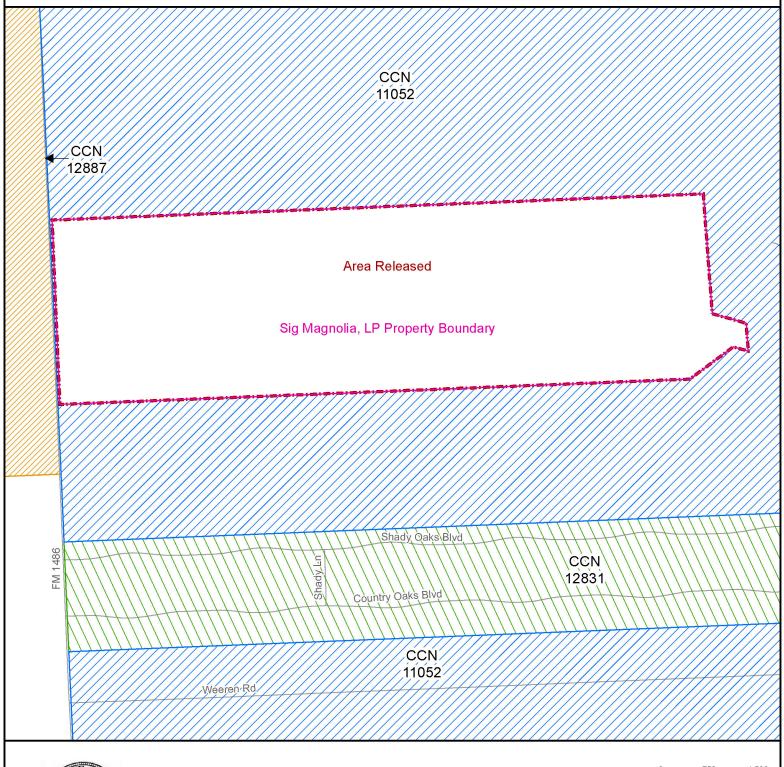
- 5. The Commission issues the attached certificate.
- 6. The CCN holder must file in this docket proof of the recording required in TWC § 13.257(r) and (s) within 45 days of the date of this Order.
- 7. The proceeding to determine the amount of compensation to be awarded to the CCN holder, if any, commences with the filing of this Order in accordance with the schedule adopted in Order No. 5. Any decision on compensation will be made by a separate order.
- 8. The Commission denies all other motions and any other requests for general or specific relief not expressly granted by this Order.

Signed at Austin, Texas the	day of	_ 2021.
	PUBLIC UTILITY COMMISSI	ON OF TEXAS
	PETER M. LAKE, CHAIRMAN	Ţ
	WILL MCADAMS COMMISS	IONED
	WILL MCADAMS, COMMISS	IONER
	LORI COBOS, COMMISSION	ER
	JIMMY GLOTFELTY, COMM	ISSIONER

Dobbin-Plantersville Water Supply Corporation Portion of Water CCN No. 11052 PUC Docket No. 51979

Petition by Sig Magnolia, LP to Amend

Dobbin-Plantersville Water Supply Corporation's CCN by Expedited Release in Montgomery County





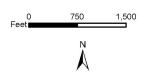
Public Utility Commission of Texas 1701 N. Congress Ave Austin, TX 78701

Water CCN

11052 - Dobbin-Plantersville WSC

12831 - Everett Square Inc

12887 - MSEC Enterprises INC



Map by: Komal Patel Date created: June 8, 2021 Project Name: 51979DobbinPlantersville.mxd



Public Utility Commission of Texas

By These Presents Be It Known To All That

Dobbin-Plantersville 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, Dobbin-Plantersville Water Supply Corporation is entitled to this

Certificate of Convenience and Necessity No. 11052

to provide continuous and adequate water utility service to that service area or those service areas in Grimes and Montgomery Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 51979 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 Dobbin-Plantersville 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.