



## Filing Receipt

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**Control Number - 52435**  
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**DOCKET NO. 52435**

<b>PETITION OF LEGACY</b>	<b>§</b>	
<b>EQUESTRIAN CENTER LLC TO</b>	<b>§</b>	
<b>AMEND MARILEE SPECIAL</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>UTILITY DISTRICT’S CERTIFICATE</b>	<b>§</b>	
<b>OF CONVENIENCE AND NECESSITY</b>	<b>§</b>	<b>OF TEXAS</b>
<b>IN COLLIN COUNTY BY EXPEDITED</b>	<b>§</b>	
<b>RELEASE</b>	<b>§</b>	

**MARILEE SPECIAL UTILITY DISTRICT’S  
REQUEST TO PRESENT ORAL ARGUMENT**

COMES NOW, Marilee Special Utility District (the “District”) and files this, its request to present oral argument at the Public Utility Commission’s open meeting that is scheduled for August 25, 2022, and in support thereof would show the following:

**I. BACKGROUND**

1. On July 27, 2022, a memorandum was issued by Stephen Journeay, Commission Counsel, to the parties of record in this proceeding, informing the parties “that the Commission will hear the Appeal of Order No. 6 ... at its August 25, 2022 open meeting.” Pursuant to 16 Tex. Admin. Code (“TAC”) § 22.262(d), a request for oral argument “shall be filed no later than 3:00 p.m. on the seventh working day preceding the date upon which the commission is scheduled to consider the case.” Seven working days before Thursday, August 25, 2022, is Tuesday, August 16, 2022, and the District’s request is timely filed.

**II. PROCEDURAL HISTORY**

2. On August 16, 2021, Petitioner, Legacy Equestrian Center (“Petitioner”), filed its Petition for Expedited Release, seeking to use the Public Utility Commission’s (“Commission”) streamlined expedited release process to extract approximately 67.696 acres of property (the “Tract of Land”) from the water utility service area the District serves under Certificate of Convenience

and Necessity (“CCN”) No. 10150 in Collin County, Texas.<sup>1</sup> The Petition was found to be administratively complete by the Administrative Law Judge (“ALJ”) on September 15, 2021.<sup>2</sup>

3. On March 1, 2022, the Commission’s Order (the “Order”) was entered, granting the Petition and stating as follows:<sup>3</sup>

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. 2. Any decision on compensation will be made by a separate order.<sup>4</sup>

The Order specifically states that Order No. 2 controls the compensation phase of this proceeding, and Order No. 2 specifically provides a deadline for “petitioner,” not any other party, person, or entity, to compensate the CCN holder, which is the District.<sup>5</sup>

4. On May 10, 2022, Petitioner and the District timely submitted appraisal reports for the Tract of Land, and on June 2, 2022, Commission Staff and the District filed a joint request for clarification and abatement (the “Joint Request”).<sup>6</sup> In the Joint Request, the parties explained that Petitioner’s counsel informed Commission Staff that Petitioner sold the Tract of Land to an unknown buyer who is not and has never been a party to this proceeding.<sup>7</sup> Based on these developments, Commission Staff and the District requested “clarification regarding whether the release can proceed at all, given that the property has now changed hands, and, if the release can proceed, what entity will be responsible for the petitioner’s portion of the fee for Staff’s

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<sup>1</sup> See Petition of Legacy Equestrian Center LLC for Expedited Release Pursuant to Texas Water Code Section 13.2541 (the “Petition”) (Aug. 16, 2021); Tex. Water Code (“TWC”) § 13.2541; 16 Tex. Admin. Code (“TAC”) § 24.245(h).

<sup>2</sup> Order No. 2 – Finding Petition Administratively Complete and Notice Sufficient, and Establishing Procedural Schedule (Sept. 15, 2021).

<sup>3</sup> Order (Mar. 1, 2022).

<sup>4</sup> *Id.* at Ordering Paragraph 7.

<sup>5</sup> Order No. 2 at 2 of 3.

<sup>6</sup> Joint Request for Clarification and Abatement (June 2, 2022).

<sup>7</sup> See *id.* at 1 (“Staff recently learned from counsel for Legacy Equestrian that the property for which the petitioner seeks release is no longer owned by Legacy Equestrian,” and “Staff has been unable to ascertain the name of the new property owner.”).

appraiser.”<sup>8</sup> Commission Staff further requested abatement of the proceeding pending clarification of these issues.<sup>9</sup>

5. Petitioner filed no response to the Joint Request.

6. On June 10, 2022, the ALJ entered Order No. 6 denying the Joint Request, and stating that abatement is unnecessary and there “is no need for clarification on whether the release can proceed because the release has already occurred.”<sup>10</sup> The ALJ held, “Legacy Equestrian is responsible for paying the amount of compensation to be awarded to Marilee SUD, if any.”<sup>11</sup>

7. In response to Order No. 6, on June 16, 2022, the District filed a Motion to Certify an Issue to the Commission, requesting that the ALJ certify whether Petitioner has standing to continue to bring this case, as it is no longer the owner of the Tract of Land.<sup>12</sup> On June 27, the ALJ entered an order denying the District’s motion, and stating that the correct course of action was for the District to appeal Order No. 6, and provided a deadline of July 1, 2022, for the District to do so.<sup>13</sup> The District’s Appeal of Order No. 6 was filed on June 30, 2022.<sup>14</sup>

### **III. REQUEST TO PRESENT ORAL ARGUMENT**

8. The District requests oral argument be permitted at the Commission’s open meeting scheduled for August 25, 2022, because of the significant issues raised in its Appeal of Order No. 6. The District believes allowing brief oral argument by the parties will assist the Commissioners in their consideration of the District’s Appeal of Order No. 6 and it would provide the parties an opportunity to address any questions raised by the Commissioners at the open meeting.

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<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

<sup>10</sup> Order No. 6 - Clarification (June 10, 2022).

<sup>11</sup> *Id.*


<sup>12</sup> Marilee Special Utility District’s Motion to Certify Issues to the Public Utility Commission of Texas (June 16, 2022).

<sup>13</sup> See Order No. 8 (June 27, 2022) at 1 (“[T]he ALJ finds good cause under 16 TAC § 22.5(b) to extend the deadline to file an appeal of Order No. 6 to July 1, 2022.”).

<sup>14</sup> Marilee Special Utility District’s Appeal of Order No. 6 (Jun. 30, 2022).

WHEREFORE, PREMISES CONSIDERED, Marilee Special Utility District, hereby requests to present oral argument at the Commission's open meeting scheduled for August 25, 2022.


Respectfully submitted,

By:   
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**ATTORNEY FOR MARILEE SPECIAL  
UTILITY DISTRICT**

**CERTIFICATE OF SERVICE**

I hereby certify that I have served or will serve a true and correct copy of the foregoing document via hand delivery, facsimile, electronic mail, overnight mail, U.S. mail and/or Certified Mail Return Receipt Requested to all parties on this the 16<sup>th</sup> day of August 2022.

  
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John J. Carlton