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#### **DOCKET NO. 52442**

PETITION OF MERITAGE HOMES	§	PUBLIC UTILITY COMMISSION
OF TEXAS, LLC, TO AMEND NORTH	§	
COLLIN SPECIAL UTILITY	§	OF TEXAS
DISTRICT'S CERTIFICATE OF	§	
TEXAS CONVENIENCE AND	§	
NECESSITY IN COLLIN COUNTY BY	§	
EXPEDITED RELEASE	§	

## COMMISSION STAFF'S RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS AND NOTICE

On August 23, 2021, Meritage Homes of Texas, LLC (Meritage) filed a petition for streamlined expedited release from the North Collin Special Utility District's (NC SUD) water Certificate of Convenience and Necessity (CCN) No. 11035 under Texas Water Code (TWC) § 13.2541 and 16 Texas Administrative Code (TAC) § 24.245(h). Meritage asserts that the land to be released is at least 25 contiguous acres, is not receiving water service, and is located in Collin County, which is a qualifying county. Meritage filed supplemental information on September 8, 2021, October 4, 2021, March 16, 2022, and March 28, 2022.

On May 6, 2022, the administrative law judge (ALJ) filed Order No. 12, establishing a deadline of May 13, 2022 for the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file comments regarding the administrative completeness of the petition and notice. Therefore, this pleading is timely filed.

### I. ADMINISTRATIVE COMPLETENESS

Staff has reviewed the supplemented petition and, as detailed in the attached memorandum from Jolie Mathis, Infrastructure Division, recommends that the supplemented petition is administratively complete. Staff's recommendation on administrative completeness is not a comment on the merits of the petition.

#### II. NOTICE SUFFICIENCY

Under 16 TAC § 24.245(h)(3)(f), a landowner seeking streamlined expedited release must provide proof that a copy of the petition has been mailed to the current CCN holder via certified mail on the day that the landowner submits the petition to the Commission. Meritage stated that it

mailed a copy of its petition to the CCN holder, NC SUD, by certified mail on the day the petition was filed with the Commission. Meritage also filed an affidavit attesting to this provision of notice to NC SUD. Accordingly, Staff recommends that the notice is sufficient.

### III. PROCEDURAL SCHEDULE

Under 16 TAC § 24.245(h)(7), there is an expedited deadline of 60 days for approval of the requested release that begins once the ALJ issues an order finding a petition administratively complete. Staff recommends that the petition be found administratively complete. Therefore, Staff proposes the following procedural schedule and requests that the ALJ populate the deadlines accordingly when the ALJ issues that order.

Event	Date		
Deadline for NC SUD and intervenors to file a response to the administratively complete petition	20 days from the date of the order finding the petition administratively complete		
Deadline for Meritage to file a reply to NC SUD's response	27 days from the date of the order finding the petition administratively complete		
Deadline for Staff's recommendation on final disposition	41 days from the date of the order finding the petition administratively complete		
Sixty-day administrative approval of streamlined expedited release	60 days from the date of the order finding the petition administratively complete		
In the event streamlined expedited release is granted and petitioner and NC SUD can select an agreed-upon appraiser			
Deadline for Meritage and NC SUD to make a filing stating that they have selected an agreed-upon appraiser	Within 10 days after the Commission approves streamlined expedited release		
Deadline for appraiser's report	Within 70 days after the Commission approves streamlined expedited release		
Deadline for Commission's final order determining the amount of monetary compensation, if any, owed by petitioner to NC SUD	Within 60 days after appraiser's report		
Deadline for petitioner to pay any compensation due to NC SUD	Within 90 days of the Commission's final order on compensation		
In the event streamlined expedited release is granted and petitioner and NC SUD unable to select an agreed-upon appraiser			

Deadline for Meritage and NC SUD to make a filing	
stating that they have been unable to select an agreed-	Within 10 days after the Commission
upon appraiser and affirming that they will pay half of	approves streamlined expedited release <sup>2</sup>
the cost of Commission Staff's appraiser <sup>1</sup>	
Deadline for reports from Meritage's appraiser and	Within 70 days after the Commission
NC SUD's appraiser	approves streamlined expedited release
Deadline for Staff's appraiser's report	Within 100 days after the Commission
	approves streamlined expedited release
Deadline for Commission's final order determining	Within 60 days after the Commission
the amount of monetary compensation, if any, owed	receives the final appraisal
by Meritage to NC SUD	receives the iniai appraisai
Deadline for Meritage to pay any compensation due to	Within 90 days of the Commission's
NC SUD	final order on compensation

### IV. CONCLUSION

For the reasons detailed above, Staff recommends that the supplemented petition be found administratively complete, that the notice be found sufficient, and that the proposed procedural schedule be adopted. Staff respectfully requests the entry of an order consistent with these recommendations.

<sup>&</sup>lt;sup>1</sup> TWC § 13.2541(i).

<sup>&</sup>lt;sup>2</sup> It is critical for Staff to know as soon as possible after the Commission grants the petition whether Staff needs to secure the services of a third appraiser. If the petitioner and CCN holder are unable to agree and fail to make this filing, Staff may need additional time to file its appraiser's report.

Dated: May 13, 2022

Respectfully submitted,

# PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

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### **CERTIFICATE OF SERVICE**

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on May 13, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Forrest Smith
Forrest Smith

### Public Utility Commission of Texas

### Memorandum

**TO:** Forrest Smith, Attorney

Legal Division

FROM: Jolie Mathis, Utility Engineering Specialist

Infrastructure Division

**DATE:** May 13, 2022

**RE:** Docket No. 52442 – Petition of Meritage Homes of Texas, LLC to Amend North

Collin Special Utility District's Certificate of Convenience and Necessity in

Collin County by Expedited Release

On August 23, 2021, Meritage Homes of Texas, LLC (Meritage Homes) filed a petition for streamlined expedited release from North Collin Special Utility District's (North Collin SUD) water Certificate of Convenience and Necessity (CCN) No. 11035 in Collin County, Texas under Texas Water Code (TWC) § 13.2541(b) and 16 Texas Administrative Code (TAC) § 24.245(h). Meritage Homes asserts that the land is at least 25 contiguous acres, is not receiving water service, and is located in Collin County, which is a qualifying county.

On March 28, 2022, revised maps and shapefiles were filed. Based on the mapping review by Tracy Montes, Infrastructure Division, the map and the revised digital data submitted with Item 34 on March 28, 2022 are sufficient. The revised digital data filed on March 28, 2022, changed the location of the tract of land due to a scaling and formatting error in comparison to the digital data filed on August 23, 2021 (Item 3). The new location for the tract of land still results in the approximately 273.5 acres to be decertified from North Collin SUD's CCN No. 11035. However, the west side of the new tract of land is now located along County Road 409.

The tract of land in the petition for streamlined expedited release is approximately 273.5 acres, of which approximately 273.5 acres overlap North Collin SUD (CCN No. 11035) and would be decertified from CCN No. 11035.

Based on my technical and managerial review and the mapping review by Tracy Montes of the information provided by Meritage Homes on March 28, 2022, I recommend the petition be deemed administratively complete and accepted for filing.

Therefore, staff will need to create a revised and updated map showing the new location for the tract of land to be decertified from North Collin Sud's CCN No. 11035.