



## Filing Receipt

**Received - 2022-10-19 12:09:16 PM**  
**Control Number - 52453**  
**ItemNumber - 45**

**DOCKET NO. 52453**

<b>APPLICATION OF SKYLINE DRIVE</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>LANDOWNERS ASSOCIATION</b>	<b>§</b>	
<b>WATER SYSTEM TO DECERTIFY A</b>	<b>§</b>	<b>OF TEXAS</b>
<b>PORTION OF ITS WATER</b>	<b>§</b>	
<b>CERTIFICATE OF CONVENIENCE</b>	<b>§</b>	
<b>AND NECESSITY IN JOHNSON</b>	<b>§</b>	
<b>COUNTY</b>		

**JOINT RESPONSE TO MEMORANDUM**

On August 20, 2021, Skyline Drive Landowners Association Water System (SDLA) filed an application with the Public Utility Commission of Texas (Commission) to amend its water Certificate of Convenience and Necessity (CCN) No. 12479 by decertifying a portion of the service area in Johnson County. SDLA filed supplemental information on September 15, 2021 and September 21, 2021. In the latter filing, SDLA clarified its intent that it is only requesting to decertify a portion of its water CCN. The requested service area for decertification consists of approximately 22 acres and zero existing customer connections.

On September 21, 2022, Commission Counsel filed a memorandum, establishing a deadline of September 27, 2022 for SDLA and Commission Staff (Staff) (collectively, the Parties) to identify the location in the evidentiary record of the proof of individual notice to all landowners in the certificated area that SDLA seeks to decertify or, if evidence in the record does not reflect that individual notice was provided to all landowners, for the Parties to seek the admission of evidence of the required notice. On September 27, 2022, Commission Counsel filed a memorandum extending the deadline to October 6, 2022. On October 7, 2022, Commission Counsel filed a memorandum extending the deadline to October 19, 2022. Therefore, this pleading is timely filed.

**I. REQUEST FOR GOOD CAUSE EXCEPTION AND MOTION TO ADMIT EVIDENCE**

In response to Commission Counsel's memorandum, the Parties respectfully request the admission of this pleading and the consent letter that was filed on October 17, 2022 under Interchange Item No. 44. After further review, SDLA did not provide notice to the landowner in accordance with 16 Texas Administrative Code (TAC) § 24.245(d)(2)(A). Importantly, in Staff's

recommendation on proposed notice on November 4, 2021, Staff recommended that SDLA be ordered to provide notice to, among others, “[e]ach landowner of a tract of land that is at least 25 acres and is wholly or partly located in the requested area. Staff further recommended that “[n]otice must be mailed to the owner of the tract of land according to the most current tax appraisal rolls of the applicable central appraisal district at the time the application was filed.” Because Staff does not review the tax appraisal rolls to confirm that notice was properly sent to the correct landowner(s) who own(s) a tract of land that is at least 25 acres, Staff typically relies on the affidavits from applicants for proof that notice was properly provided as part of its standard review of notice. In this case, Staff reviewed the proof of notice and relied on SDLA’s attestations that it provided notice to those required by Staff’s recommendations as evidence that no such landowner existed. However, in this case, after further review by SDLA, the landowner owns a tract of land that is at least 25 acres that is partly located in the requested area.

Further, after reconsideration of its recommendations on proposed notice, Staff recommends that this 25 acre-requirement was included in error from its standard recommendation on proposed notice for applications that seek to amend a CCN by adding area, where the 25-acre requirement does apply under 16 TAC § 24.235(b)(2). Under 16 TAC § 24.245(d)(2)(A), there is no such 25-acre requirement, such that any landowner in the requested area should be provided notice. As such, SDLA respectfully requests a good cause exception to this requirement as it did not provide the required notice at the time its application was filed. Staff recommends that the request be approved, given that the landowner has written a letter consenting to the decertification as evidence by the consent letter filed on October 17, 2022. Additionally, in the event that the good cause exception is not granted and SDLA’s request for decertification is denied on the basis that SDLA did not comply with 16 TAC § 24.245(d)(2)(A), this same landowner would be set to receive notice under the pending sale, transfer, merger application between SDLA and Johnson County Special Utility District (Johnson County SUD) that is currently abated pending resolution of this docket.<sup>1</sup> Importantly, as part of that docket, Johnson County SUD intends to acquire SDLA’s water system and SDLA’s certificated service area. If decertification were to be denied in this docket, Johnson County SUD would likely seek decertification of the same approximately 22 acres that SDLA seeks to decertify in this docket. As such, it would serve administrative

---

<sup>1</sup> *Application of Skyline Drive Landowners Association and Johnson County Special Utility District for Sale, Transfer or Merger of Facilities and Certificate Rights Johnson County, Docket No. 53922 (pending).*

efficiency to allow the decertification to be approved in this docket. In accordance with SDLA's request and Staff's recommendation, the Parties respectfully request that the good cause exception request be approved and that this pleading and previously filed consent letter be admitted as evidence.

## **II. CONCLUSION**

The Parties respectfully request the entry of an order approving the good cause exception and admitting this filing into evidence.

Dated: October 19, 2022

Respectfully submitted,

### **PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION**

Keith Rogas  
Division Director

Sneha Patel  
Managing Attorney

/s/ Scott Miles  
Scott Miles  
State Bar No. 24098103  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326  
(512) 936-7228  
(512) 936-7268 (facsimile)  
Scott.Miles@puc.texas.gov

**DOCKET NO. 52453**

**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 October 19, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Scott Miles  
Scott Miles