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DOCKET NO. 52536

| PETITION OF E REAL ESTATE TO | § | PUBLIC UTILITY COMMISSION |
|-------------------------------|---|---------------------------|
| AMEND MARILEE SPECIAL UTILITY | § | |
| DISTRICT'S WATER CERTIFICATE | § | OF TEXAS |
| OF CONVENIENCE AND NECESSITY | § | |
| IN COLLIN COUNTY BY EXPEDITED | § | |
| RELEASE (MESOUAOKEE RANCH) | § | |

COMMISSION STAFF'S SECOND SUPPLEMENTAL RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS AND NOTICE

On September 8, 2021, E Real Estate, LLC (E Real Estate) filed a petition for streamlined expedited release from Marilee Special Utility District's (Marilee SUD) water certificate of convenience and necessity (CCN) number 10150 under Texas Water Code (TWC) § 13.2541 and 16 Texas Administrative Code (TAC) § 24.245(h). E Real Estate 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. According to the 2010 Census, Collin County has a population of 782,341. Additionally, Collin County is adjacent to Dallas County, which has a population of 2,368,139. E Real Estate filed supplemental information on October 20, 2021, October 26, 2021, and December 7, 2021.

On December 29, 2021, the administrative law judge (ALJ) filed Order No. 3, establishing a deadline of February 21, 2022, for the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a supplemental recommendation on the administrative completeness of the petition and notice and to propose a procedural schedule.⁵ Therefore, this pleading is timely filed.

¹ TWC § 13.2541(b) and 16 TAC § 24.245(h)(2).

 $^{^2}$ See Tex. Gov't Code § 2058.0021 for applicability of 2010 Census in determination whether the land is in a qualifying county.

³ U.S. Census Bureau, Census Data for Collin County, QuickFacts Collin County, Texas (2010) https://www.census.gov/quickfacts/fact/table/collincountytexas/POP010210 (last accessed Jan. 5, 2022).

⁴ U.S. Census Bureau, Census Data for Dallas County, QuickFacts Dallas County, Texas (2010) https://www.census.gov/quickfacts/fact/table/dallascountytexas/POP010210 (last accessed Jan. 5, 2022).

⁵ Because the Commission is closed for business on February 21, 2022, under 16 TAC § 22.4(a), Staff's deadline falls on February 22, 2022.

I. ADMINISTRATIVE COMPLETENESS

Staff has reviewed the petition and supplemental information and, as detailed in the attached memorandum from Jolie Mathis, Infrastructure Division, recommends that the 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. E Real Estate stated that it mailed a copy of its petition to the CCN holder, Marilee SUD, by certified mail on the day the petition was filed with the Commission. 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 Marilee 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 Staff's recommendation on final disposition | 34 days from the date of the order finding the petition administratively complete |
| Deadline for petitioner to file a reply to both Marilee SUD's response and 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 Marilee SUD can select an agreed-upon appraiser

| Deadline for petitioner and Marilee 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 Marilee SUD | Within 60 days after appraiser's report | |
| Deadline for petitioner to pay any compensation due to Marilee SUD | Within 90 days of the Commission's final order on compensation | |
| In the event streamlined expedited release is granted and petitioner and Marilee SUD are unable to select an agreed-upon appraiser | | |
| Deadline for petitioner and Marilee SUD to make a filing stating that they have been unable to select an agreed-upon appraiser and affirming that they will pay half of the cost of Commission Staff's appraiser ⁶ | Within 10 days after the Commission approves streamlined expedited release ⁷ | |
| Deadline for reports from petitioner's appraiser and Marilee SUD's appraiser | Within 70 days after the Commission 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 the amount of monetary compensation, if any, owed by petitioner to Marilee SUD | Within 60 days after the Commission receives the final appraisal | |
| Deadline for petitioner to pay any compensation due to Marilee SUD | Within 90 days of the Commission's final order on compensation | |

IV. CONCLUSION

For the reasons detailed above, Staff recommends that the 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.

⁶ TWC § 13.2541(i).

⁷ 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: February 22, 2022

Respectfully submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Rachelle Nicolette Robles Division Director

Rustin Tawater Managing Attorney

/s/ Merritt Lander

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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 on February 22, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Merritt Lander
Merritt Lander

Public Utility Commission of Texas

Memorandum

TO: Merritt Lander, Attorney

Legal Division

FROM: Jolie Mathis, Utility Engineering Specialist

Infrastructure Division

DATE: February 22, 2022

RE: Docket No. 52536 – Petition of E Real Estate, LLC to Amend Marilee Special

Utility District's Certificate of Convenience and Necessity in Collin County by

Expedited Release (Mesouaokee Ranch)

On September 8, 2021, E Real Estate, LLC (E Real Estate) filed a petition for streamlined expedited release from Marilee Special Utility District's (Marilee SUD) water certificate of convenience and necessity (CCN) No. 10150 in Collin County under Texas Water Code (TWC) § 13.2541(b) and 16 Texas Administrative Code (TAC) § 24.245(h). E Real Estate 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.

E Real Estate submitted a sworn affidavit attesting that the tract of land was not receiving water service from Marilee SUD and a warranty deed confirming ownership of the landowner's total property. E Real Estate included a statement indicating a copy of the petition was sent via certified mail to Marilee SUD on the date the petition was filed with the Commission.

Based on the mapping review by Tracy Montes, Infrastructure Division, the maps and digital mapping data submitted on December 7, 2022 (Interchange Item No. 8) are sufficient for determining the location of the tract of land considered for streamlined expedited release is located within Marilee SUD's water CCN. Tracy Montes determined the following:

The landowner's total property is approximately 156.7 acres. The tract of land in the petition for streamlined expedited release is approximately 156.4 acres, of which approximately 156.4 acres overlap Marilee SUD (CCN No. 10150) and would be decertified from CCN No. 10150.

Based on my technical and managerial review and the mapping review by Tracy Montes of the information provided by E Real Estate on December 7, 2022, I recommend the petition be deemed administratively complete and accepted for filing.