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DOCKET NO. 52643

APPLICATION OF WYLIE	§	PUBLIC UTILITY COMMISSION
NORTHEAST SPECIAL UTILITY	§	
DISTRICT TO AMEND A	§	OF TEXAS
CERTIFICATE OF CONVENIENCE	§	
AND NECESSITY IN COLLIN COUNTY	\$	

NOTICE OF APPROVAL

This Notice of Approval addresses the application of Wylie Northeast Special Utility District to amend its sewer certificate of convenience and necessity (CCN) number 21056 to add seven uncertificated acres in Collin County. The Commission amends Wylie NE SUD's CCN number 21056 to add seven acres to the extent provided in this Notice of Approval.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

- 1. Wylie NE SUD is a special utility district operating under chapter 65 of the Texas Water Code (TWC).
- 2. Wylie NE SUD operates, maintains, and controls facilities for the collection and transportation of sewage for customers in Collin County under CCN number 21056.
- 3. Wylie NE SUD purchases wastewater treatment service from the City of Wylie.

Application

- 4. On September 27, 2021, Wylie NE SUD filed the application at issue in this proceeding.
- 5. Wylie NE SUD supplemented its application on December 8, 2021, January 6, 2022, and March 2 and 9, 2022.
- 6. Wylie NE SUD's application, as supplemented, requests to add approximately seven uncertificated acres and no current connections.
- 7. The requested area is located approximately one mile northwest of downtown St. Paul, Texas, and is generally bounded on the north by Farm-to-Market Road 2514 (Parker Road), on the east by the intersection of Farm-to-Market Road 2514 and Old Parker Road, on the

- south by Old Parker Road, and on the west by Farm-to-Market Road 1378 (County Club Road).
- 8. In Order No. 6 filed on April 11, 2022, the administrative law judge (ALJ) found the application, as supplemented, administratively complete.

Notice

- 9. On May 10, 2022, Wylie NE SUD filed the affidavit of Eddy Daniel, P.E, Wylie NE SUD's authorized representative, attesting that notice was mailed to current customers, landowners, neighboring utilities, and affected parties on April 28, 2022.
- 10. On May 10, 2022, Wylie NE SUD filed a publisher's affidavit attesting to the publication of notice in *The Wylie News*, a newspaper of generation circulation in Collin County, on April 27 and May 4, 2022.
- 11. In Order No. 7 filed on May 23, 2022, the ALJ found the notice sufficient.

Evidentiary Record

12. In Order No. 11 filed on September 27, 2022, the ALJ admitted the following evidence into the record of this proceeding: (a) Wylie NE SUD's application filed on September 27, 2021; (b) Wylie NE SUD's supplement to the application filed on December 8, 2021; (c) Wylie NE SUD's supplement to the application filed on January 6, 2022; (d) Wylie NE SUD's supplement to the application filed on March 2, 2022; (e) Wylie NE SUD's supplement to the application filed on March 9, 2022; (f) Commission Staff's second supplemental recommendation on administrative completeness and notice and proposed procedural schedule filed on April 8, 2022; (g) Wylie NE SUD's proof of notice filed on May 10, 2022; (h) Commission Staff's recommendation on sufficiency of notice filed on May 20, 2022; (i) Wylie NE SUD's consent form filed on August 9, 2022; (j) Commission Staff's final recommendation and attachments filed on August 26, 2022; and (k) the final map and certificate attached to the supplemental joint motion to admit evidence and proposed notice of approval filed on September 15, 2022.

Adequacy of Existing Service

13. There are no existing customers in the requested area.

14. Sewer service is not currently being provided to the requested area.

Need for Service

- 15. The requested area is being developed with residential housing.
- 16. The developer of the requested area requested sewer service from Wylie NE SUD.
- 17. Wylie NE SUD filed a copy of the correspondence between itself and the developer demonstrating the need for sewer service in the requested area.

Effect of Granting the Amendment

- 18. Granting the CCN amendment will obligate Wylie NE SUD to provide sewer service to future customers in the requested area and such service must be continuous and adequate.
- 19. Granting the CCN amendment will enable Wylie NE SUD to provide sewer service to the new residential development in accordance with the developer's request for sewer service.
- 20. Landowners in the requested area will have a sewer provider available when they need to request sewer service.
- 21. All retail public utilities in the proximate area were provided notice of the CCN amendment and no protests, adverse comments, or motions to intervene were filed.
- 22. There will be no effect on any retail public utility serving the proximate area.

Ability to Serve: Managerial and Technical

- 23. Wylie NE SUD does not treat wastewater.
- 24. Wylie NE SUD provides sewer service to customers through a gravity collection system, which has adequate capacity to serve flows from the requested area.
- 25. The developer will construct facilities in the requested area to connect to Wylie NE SUD's sewer collection lines.
- 26. There is an agreement between the City of Wylie and Wylie NE SUD whereby the City of Wylie treats wastewater collected at a lift station that Wylie NE SUD's sewer collection lines feed into.
- 27. The City of Wylie's wastewater treatment facilities have adequate capacity for the additional discharge.

- 28. Wylie NE SUD employs TCEQ-licensed operators who are responsible for operating its sewer facilities.
- 29. The Commission's complaint records, which go back to 2017, show no complaints against Wylie NE SUD.
- 30. Wylie NE SUD has the managerial and technical capability to provide continuous and adequate service to the requested area.

Feasibility of Obtaining Service from Other Utilities

- 31. The developer of the requested area requested sewer service from Wylie NE SUD.
- 32. The requested area is adjacent to Wylie NE SUD's existing sewer CCN boundaries.
- 33. It is not feasible to obtain service from an adjacent retail public utility.

Regionalization or Consolidation

- 34. It will not be necessary for Wylie NE SUD to construct a physically separate sewer system to serve the requested area.
- 35. Because the requested area will not require construction of a physically separate sewer system, consideration of regionalization or consolidation with another retail public utility is not required.

Ability to Serve: Financial Ability and Stability

- 36. Wylie NE SUD has a debt-to-equity ratio that is less than one, satisfying the leverage test.
- Wylie NE SUD has sufficient cash available to cover any projected operations and maintenance shortages in the first five years of operations after approval of the CCN amendment, satisfying the operations test.
- 38. The developer will finance the construction of the sewer collection lines and lift station that will serve the requested area.
- 39. Wylie NE SUD demonstrated the financial capability and stability to pay for the facilities necessary to provide continuous and adequate service to the requested area.

Financial Assurance

40. There is no need to require Wylie NE SUD to provide a bond or other financial assurance to ensure continuous and adequate service.

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Environmental Integrity and Effect on the Land

41. There will be minimal and temporary effects on environmental integrity and on the land as the sewer collection lines and the lift station are installed.

Improvement in Service or Lower of Cost

- 42. Sewer service to the requested area will improve because Wylie NE SUD will be obligated to provide service to future customers in the requested area.
- 43. No lowering of cost to consumers in the requested area will result from granting the CCN amendment because there are no existing customers in the requested area.

Map and Certificate

- 44. On July 27, 2022, Commission Staff emailed the proposed map and certificate to Wylie NE SUD.
- 45. On August 9, 2022, Wylie NE SUD filed its consent to the proposed map and certificate.
- 46. On September 15, 2022, Wylie NE SUD and Commission Staff filed the map and certificate as attachments to their supplemental agreed motion to admit evidence and proposed notice of approval.

Informal Disposition

- 47. More than 15 days have passed since the completion of notice provided in this docket.
- 48. No person filed a protest or motion to intervene.
- 49. Commission Staff and Wylie NE SUD are the only parties to this proceeding.
- 50. No party requested a hearing and no hearing is needed.
- 51. Commission Staff recommended approval of the application.
- 52. This decision is not adverse to any party.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. The Commission has authority over this proceeding under TWC §§ 13.241, 13.242, 13.244, and 13.246.

- 2. Wylie NE SUD is a retail public utility as defined in TWC § 13.002(19) and 16 Texas Administrative Code (TAC) § 24.3(31).
- 3. Wylie NE SUD's application meets the requirements of TWC § 13.244 and 16 TAC § 24.227.
- 4. Wylie NE SUD provided notice of the application that complies with TWC § 13.246 and 16 TAC § 24.235.
- 5. The Commission processed the application in accordance with the requirements of the TWC, the Administrative Procedure Act, and Commission rules.
- 6. After consideration of the factors in TWC §§ 13.241(a) and 13.246(c) and 16 TAC § 24.227(a) and (e), Wylie NE SUD demonstrated adequate financial, managerial, and technical capability for providing continuous and adequate service to the requested area in Collin County and its current service area, as required by TWC § 13.241(a) and 16 TAC § 24.227.
- 7. Regionalization or consolidation concerns under TWC § 13.241(d) do not apply in this proceeding because construction of a physically separate sewer system is not required.
- 8. It is not necessary for Wylie NE SUD to provide a bond or other financial assurance under TWC § 13.246(d) or 16 TAC § 24.227(f).
- 9. Wylie NE SUD demonstrated that the amendment to CCN number 21056 to include the requested area is necessary for the service, accommodation, convenience, or safety of the public, as required by TWC § 13.246(b) and 16 TAC § 24.227(d).
- 10. Under TWC § 13.257(r) and (s), Wylie NE SUD must record a certified copy of the approved map and certificate, along with a boundary description of the service area, in the real property records of Collin County within 31 days of this Notice of Approval and submit evidence of the recording to the Commission.
- 11. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.

¹ Tex. Gov't Code §§ 2001.001–903.

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III. Ordering Paragraphs

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

- 1. The Commission amends Wylie NE SUD's CCN number 21056 to add the requested area as described in this Notice of Approval and as shown on the map attached to this Notice of Approval.
- 2. The Commission approves the map attached to this Notice of Approval.
- 3. The Commission issues the certificate attached to this Notice of Approval.
- 4. Wylie NE SUD must provide service to every customer and applicant for service within the approved area under CCN number 21056 who requests sewer service and meets the terms of Wylie NE SUD's sewer service policies, and such service must be continuous and adequate.
- 5. Wylie NE SUD must comply with the recording requirements in TWC § 13.257(r) and (s) for the area in Collin County affected by this application and file in this docket proof of the recording no later than 45 days after the date of this Notice of Approval.
- 6. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

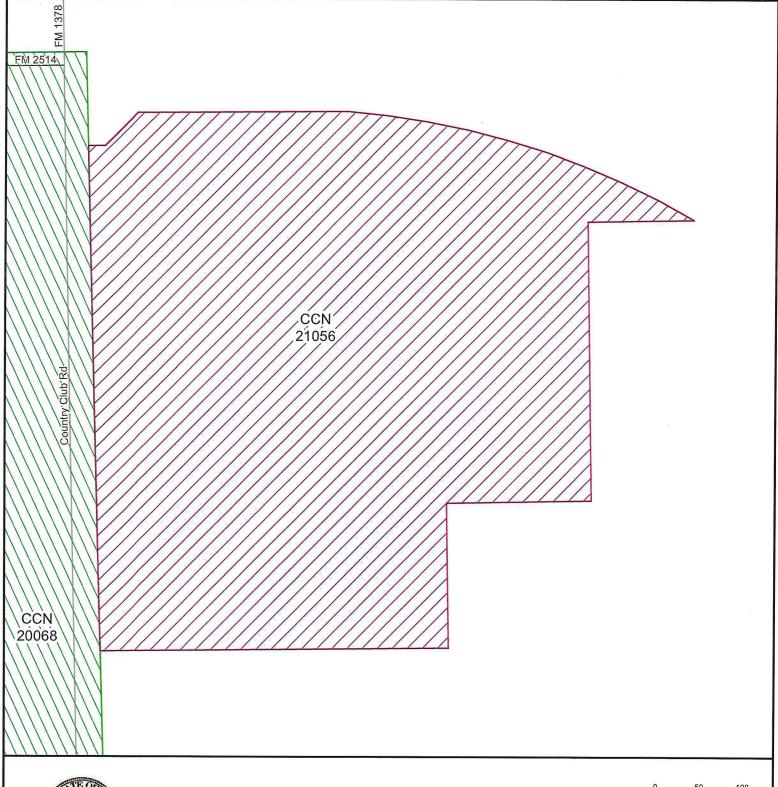
Signed at Austin, Texas the 27th day of September 2022.

PUBLIC UTILITY COMMISSION OF TEXAS

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ADMINISTRATIVE LAW JUDGE

Wylie Northeast Special Utility District
Portion of Sewer CCN No. 21056
PUC Docket No. 52643
Amended CCN No. 21056 in Collin County

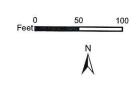




Public Utility Commission of Texas 1701 N. Congress Ave Austin, TX 78701

Sewer CCN

21056 - Wylie Northeast SUD
20068 - City of Wylie



Map by: Komal Patel Date: July 21, 2022 Project: 52643WylieNortheastSUD.mxd



Public Utility Commissionof Texas

By These Presents Be It Known To All That

Wylie Northeast Special Utility District

having obtained certification to provide sewer 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, Wylie Northeast Special Utility District is entitled to this

Certificate of Convenience and Necessity No. 21056

to provide continuous and adequate sewer utility service to that service area or those service areas in Collin County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 52643 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 Wylie Northeast Special Utility District 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.