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PETITION OF SATER, LP, LLC TO AMEND § PUBLIC UTILITY COMMISSION
MARILEE SPECIAL UTILITY DISTRICT'S §
CERTIFICATE OF CONVENIENCE AND § OF
NECESSITY IN COLLIN COUNT BY §
EXPEDITED RELEASE § TEXAS

**SATER, LP'S REPLY TO MARILEE SPECIAL UTILITY DISTRICT'S SECOND
VERIFIED RESPONSE**

TO THE PUBLIC UTILITY COMMISSION OF TEXAS:

Sater, LP ("Petitioner") files its Reply to Marilee Special Utility District's ("Marilee") Second Verified Response to its Second Amended Petition and shows as follows:

I. Procedural Background

On October 20, 2021, Petitioner filed its Petition for streamlined expedited release of approximately 269.84 acres of land (the "Property") from Marilee's Certificate of Convenience and Necessity ("CCN") No. 10150. On December 13, 2021, Petitioner filed its First Amended Petition clarifying a tract of land that is a larger piece of approximately 300.09 acres of land owned by Petitioner. The Petition, as amended, was found administratively complete on April 26, 2022. On March 22, 2022, Petitioner filed its Second Amended Petition, carving out active meters, and reducing the requested acreage for release to 265.48 acres. The Second Amended Petition was found administratively complete on May 13, 2022. *See* Order No. 11. Marilee filed its Response to the Second Amended Petition on June 2, 2022. Petitioner now files its Reply to Marilee's Second Verified Response. This Reply is timely filed pursuant to Order No. 11.

II. Argument and Authority

A. The Petition should be approved because it satisfies the statutory requirements.

The Petition should be approved because it satisfies the requirements of Texas Water Code section 13.2541(b) and 16 Texas Administrative Code section 24.245(h). TEX. WATER CODE §

13.2541(b); 16 TEX. ADMIN. CODE § 24.254(h). Specifically, the Petition shows that the Property is located in a qualifying county, is not receiving water service, and is at least 25 acres.

B. The Property is not receiving water service and meets its burden in providing the same.

In its Response to the Petition, Marilee argues that Petitioner has not met its burden of proof showing that the area requested for release is not receiving water service. Petitioner has presented affidavit testimony as evidence that the requested area is not receiving water service. This is sufficient proof to grant Petitioner's request for SER. *See Petition of Sterling Deason O'Donnell and Darwin Deason, Co-Trustees of the Sterling Deason O'Donnell DD 2012 Trust Agreement of the DD 2014-B Grantor Retained Annuity Trust to Amend Marilee Special Utility District's Certificate of Convenience and Necessity in Collin County by Expedited Release*, Docket No. 50404; Petition Exhibit A (Jan. 2, 2020)(Deason Petition); *Id.*, Order (Oct. 12, 2021). Accordingly, the instant Petition should, likewise, be granted.

C. Marilee's Assertion of Federal Debt does not prevent decertification.

In Marilee's various pleadings in this, and other dockets, it appears Marilee is improperly seeking to acquire federal debt during the pendency of applications for decertification of has improperly acquired federal debt with the intention of thwarting all petitions for streamlined expedited release from its CCN, including this one.¹ In any event, there is no federal case law holding that acquisition of federal debt by a CCN hold prevents the Property from being released from its CCN under Texas Water Code section 13.2541. *See TEXAS WATER CODE § 13.2541*. As such, the Petition should be granted.

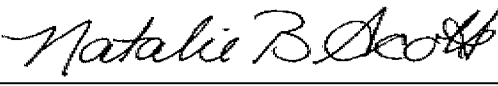
¹ Unbeknownst to Petitioner at the time, Marilee improperly applied for federal debt during the pendency of Docket No. 50404. This improper application impacts this docket according to Marilee. *See* Marilee's Response to Petition. Marilee filed its application on April 13, 2021. Docket No. 50404 was pending from December 30, 2021 through October 12, 2021. No federal debt should have been sought during that time period or the pendency of any other docket.

III. Conclusion and Prayer

WHEREFORE, Petitioner respectfully requests that the Commission grant the Petition and remove the Property from sewer CCN number 10150.

Respectfully submitted,

COATS | ROSE

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CERTIFICATE OF SERVICE

I hereby certify that on this 3rd day of June, 2022, a true and correct copy of this document was served on all parties of record in this proceeding by electronic mail and by filing on the PUC Interchange System.

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