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#### **DOCKET NO. 53220**

PETITION TO REVOKE EDWARD R.	§	PUBLIC UTILITY COMMISSION
RATHGEBER, JR. DBA RIVER	§	
TIMBER WATER SUPPLY'S	§	OF TEXAS
CERTIFICATE OF PUBLIC	§	
CONVENIENCE AND NECESSITY	§	
PURSUANT TO TEX. WATER CODE	§	
§ 13.254 AND 16 TAC § 24.113	§	

## COMMISSION STAFF'S PETITION TO REVOKE EDWARD R. RATHGEBER, JR. DBA RIVER TIMBER WATER SUPPLY'S CERTIFICATE OF CONVENIENCE AND NECESSITY AND NOTICE OF OPPORTUNITY FOR A HEARING

The Staff (Commission Staff) of the Public Utility Commission of Texas (Commission) files this Petition to Revoke Edward R. Rathgeber, Jr. dba River Timber Water Supply (River Timber)'s Certificate of Convenience and Necessity and Notice of Opportunity for a Hearing. In support thereof, Commission Staff would show the following:

#### I. JURISDICTION AND LEGAL AUTHORITY

Texas Water Code (TWC) § 13.002(23) defines the term "water utility" to include any person or certain corporations owning or operating, for compensation, equipment or facilities used for the transmission, storage, distribution, sale, resale, or provision of potable water to the public. As detailed under TWC §§ 13.041(a) and 13.042(e), the Commission has jurisdiction and authority to regulate and supervise the business, rates, services, and operations of each water utility in Texas that is not located within the incorporated limits of a municipality exercising exclusive original jurisdiction under TWC § 13.042(b).

As established under TWC § 13.242 and 16 Texas Administrative Code (TAC) § 24.225, a prospective water utility must obtain a certificate of convenience and necessity (CCN) issued by the Commission before rendering water utility service to the public. A water utility that has received a CCN from the Commission is obligated under TWC § 13.250(a) and 16 TAC § 24.247 to provide continuous and adequate service to every consumer within the boundaries of its certificated area. Under TWC § 13.254(a)(1) and 16 TAC § 24.245(d)(1)(A), the Commission may revoke the CCN of a water utility if, after notice and opportunity for hearing, the Commission finds that the CCN holder is no longer providing or has failed to provide continuous and adequate service to all or part of the area located within its certificated boundaries.

Section 2001.051 of the Administrative Procedure Act (APA)<sup>1</sup> provides that each party in a contested case must receive an opportunity for hearing after reasonable notice of not less than 10 days, as well as an opportunity to respond to and present evidence and argument on each issue involved in the case. Under 16 TAC §§ 22.183(a)-(b), a party that fails to request a hearing within 30 days after service of notice of a CCN revocation proceeding may be subject to a default order revoking the CCN without hearing.

#### III. FACTUAL ALLEGATIONS

On January 11, 1993, the Commission granted water CCN number 12293 to River Timber.<sup>2</sup> Commission records indicate that River Timber's water CCN number 12293 is located approximately 13 miles southeast of Austin, Texas, as demonstrated by the attached map of the River Timber water CCN certificated area.<sup>3</sup>

As detailed in the attached memorandum from Utility Outreach Administrator, Celia Eaves, a review of records related to water CCN number 12293 indicates that River Timber is no longer providing water utility service to customers, and that any facilities previously used to provide continuous and adequate water service are no longer active.<sup>4</sup> Therefore, Commission Staff asserts that River Timber neither provides nor is currently capable of providing continuous and adequate water utility service to customers in the certificated area.

#### IV. RECOMMENDATION FOR REVOCATION

Commission Staff recommends that water CCN number 12293 should be revoked under TWC § 13.254(a)(1) and 16 TAC § 24.245(d)(1)(A) because River Timber is no longer providing continuous and adequate water service to the certificated area and because the facilities necessary

Administrative Procedure Act, Tex. Gov't Code Ann. §§ 2001.001-.902 (West 2008 & Supp. 2014) (APA).

<sup>&</sup>lt;sup>2</sup> Prior to September 1, 1986, applications for water certificates of convenience and necessity were processed by the Commission. From September 1, 1986 to September 1, 1993, applications for water certificates of convenience and necessity (CCN) were processed by the Texas Water Commission (TWC). On September 1, 1993, authority over water utilities was transferred to the Texas Natural Resource Conservation Commission (TNRCC), which changed its name to the Texas Commission on Environmental Quality (TCEQ) on September 1, 2002. On September 1, 2014, jurisdiction over water utilities, including the authority to issue and revoke a water CCN, was transferred back to the Commission.

<sup>&</sup>lt;sup>3</sup> See Attachment 1.

<sup>&</sup>lt;sup>4</sup> See Attachment 2.

to provide continuous and adequate water service to the certificated area are inactive. Accordingly, Commission Staff recommends that it is in the public interest for the Commission to revoke River Timber's water CCN number 12293.

#### V. NOTICE OF OPPORTUNITY FOR HEARING

Under 16 TAC § 22.54, Commission Staff is required to provide reasonable notice to persons affected by a proceeding in accordance with the APA. In license revocation proceedings, APA § 2001.054 requires that notice be given "by personal service or by registered or certified mail to the license holder of facts or conduct alleged to warrant the intended action." Additionally, in order to revoke a CCN on a default basis, 16 TAC § 22.183(b) requires Commission Staff to provide notice by certified mail, return receipt requested, to the certificate holder's last known address in the Commission's records. If River Timber fails to request a hearing, the presiding officer may issue a default order on an informal basis without a hearing on the merits in accordance with APA § 2001.056(4) and 16 TAC § 22.183.

In compliance with these notice requirements, Commission Staff will provide a copy of this petition by certified mail, return receipt requested, to River Timber's last known address in the Commission's records:

Edward R. Rathgeber, Jr. dba River Timber Water Supply 2404 Rutland Drive, Suite 104 Austin, TX 78758

In accordance with 16 TAC § 22.183, Commission Staff hereby notifies River Timber that the factual allegations in this petition could be deemed admitted and the relief sought herein granted by default if River Timber fails to request a hearing within 30 days after service of this petition.

#### VI. REQUEST FOR RELIEF

Commission Staff respectfully requests that the Commission revoke water CCN number 12293 belonging to River Timber in accordance with TWC § 13.254(a)(1) and 16 TAC § 24.245(d)(1)(A). In the event that River Timber fails to timely request a hearing on the merits, Commission Staff respectfully requests that the Commission issue a default Final Order revoking water CCN number 12293 with no further notice to River Timber in accordance with 16 TAC § 22.183.

Date: February 14, 2022 Respectfully submitted,

#### PUBLIC UTILITY COMMISSION OF TEXAS

### COMPLIANCE AND ENFORCEMENT DIVISION

Barksdale English Division Director

/s/Van Moreland Van Moreland State Bar No. 24088087 1701 N. Congress Avenue P.O. Box 13326 Austin, Texas 78711-3326 (512) 936-7163 (512) 936-7268 (facsimile) van.moreland@puc.texas.gov

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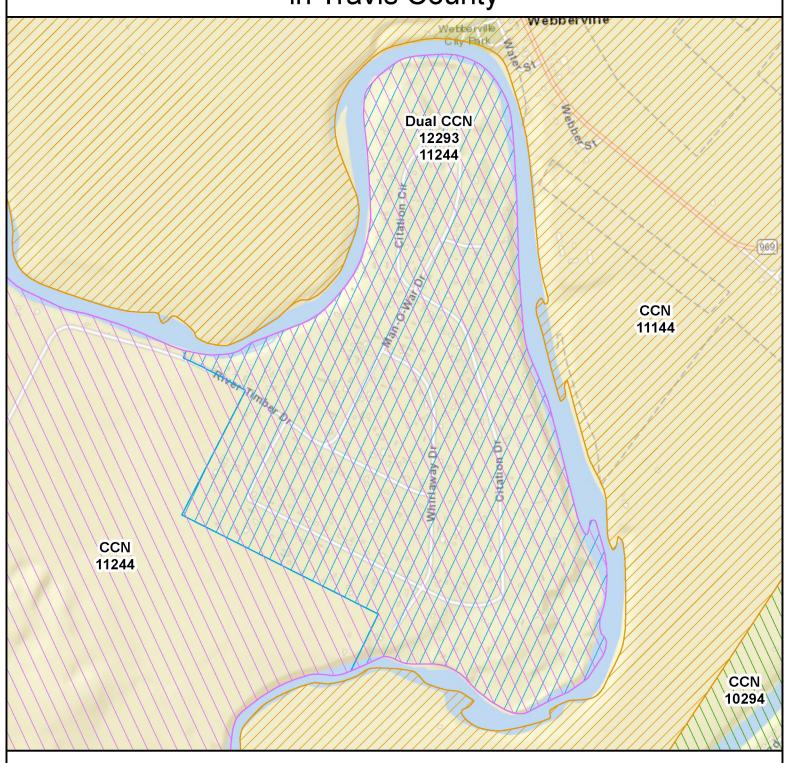
#### **CERTIFICATE OF SERVICE**

I certify that on February 14, 2022, a copy of this document was sent via certified mail, return receipt requested, to the Commission's last known address of River Timber in accordance with 16 TAC § 22.183(b).

<u>/s/Van Moreland</u> Van Moreland

## ATTACHMENT 1 MAP OF CCN NO. 12293 CERTIFIED AREA

# River Timber Water Supply Water CCN No. 12293 in Travis County





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

#### **Water CCN**



12293 - River Timber WS



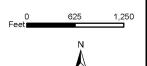
11244 - Garfield WSC



11144 - Manville WSC



10294 - Aqua WSC



Map by: Komal Patel Date: November 11, 2021 Project: 12293RiverTimberWS.mxd

## ATTACHMENT 2 SUPPORTING MEMO FROM UTILITY OUTREACH ADMINISTRATOR

#### Public Utility Commission of Texas

#### Memorandum

**TO:** Van Moreland, Attorney

Division of Compliance and Enforcement

**FROM:** Celia Eaves, Utility Outreach Administrator

Division of Utility Outreach

**DATE:** January 13, 2022

**RE:** Review of Edward R. Rathgeber Jr dba River Timber Water Supply in Travis County

and Certificate of Convenience and Necessity Number 12293

Edward R. Rathgeber Jr dba River Timber Water Supply (River Timber) is located in Travis County, Texas. On January 11, 1993, River Timber was granted certificate of convenience and necessity (CCN) No. 12293. Commission Staff's review of the records and information discussed in the paragraphs below indicate that River Timber is no longer in business and does not possess facilities to provide continuous and adequate service to its service area. Therefore, based on 16 Texas Administrative Code (TAC) § 240245(d)(1), Staff believes that River Timber is not currently providing continuous and adequate service in its CCN area and, therefore, Staff recommends that the CCN should be revoked.

Commission Staff reviewed the information in the Commission's Water Utility Database for River Timber. Commission Staff's review indicates that the water utility is inactive. In addition, there is no associated water service infrastructure, and no facilities exist for River Timber to provide continuous and adequate service to its service area.

Commission Staff reviewed the Texas Commission on Environmental Quality's (TCEQ) Central Registry database. The TCEQ's Central Registry database is a centralized location for core information on regulated or other entities that own, operate, are responsible for, or are affiliated with a regulated entity. Commission Staff's review of this information indicates that no facilities exist or are affiliated with River Timber.

Commission Staff's review of the TCEQ Texas Drinking Water Watch, a searchable database with information on public water systems (PWS), indicates a PWS does not exist in affiliation with River Timber. In addition, the CCN service area is dually certificated with Garfield Water Supply Corporation, CCN No. 11244, who owns and operates PWS ID No. 2270009.

Commission Staff's review of the Secretary of State's website did not find a record of River Timber. Commission Staff's review of relevant records indicates that River Timber has no

affiliated water service infrastructure, ceased operations, and is incapable of providing continuous and adequate service. Therefore, I recommend the cancellation of CCN No. 12293.