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DOCKET NO. 53315

PETITION OF LGI HOMES LLC TO	§	PUBLIC UTILITY COMMISSION
AMEND MOUNTAIN PEAK SPECIAL	§	
UTILITY DISTRICT'S CERTIFICATE	§	OF TEXAS
OF CONVENIENCE AND NECESSITY	§	
IN JOHNSON COUNTY BY	§	
EXPEDITED RELEASE	§	

**COMMISSION STAFF'S SUPPLEMENTAL RECOMMENDATION ON
ADMINISTRATIVE COMPLETENESS AND NOTICE AND REQUEST TO RESTYLE
THE DOCKET**

On March 8, 2022, LGI Homes-Texas, LLC (LGI) filed a petition for expedited release from Mountain Peak Special Utility District's (Mountain Peak SUD) water Certificate of Convenience and Necessity (CCN) No. 10908 under Texas Water Code (TWC) § 13.254(a-1) and 16 Texas Administrative Code (TAC) § 24.245(f). On March 24, 2022, April 27, 2022, May 4, 2022, and May 11, 2022, LGI filed supplemental information. On May 25, 2022, LGI filed a third amended petition in part to clarify that it is petitioning for *streamlined* expedited release from Mountain Peak SUD's water CCN No. 10908 under TWC § 13.2541 and 16 TAC § 24.245(h). LGI asserts that the land is at least 25 contiguous acres, is not receiving water service, and is located in Johnson County, which is a qualifying county.

On April 8, 2022, the administrative law judge (ALJ) filed Order No. 3, establishing a deadline of June 6, 2022 for the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file supplemental comments regarding the administrative completeness of the petition and notice. Therefore, this pleading is timely filed.

I. ADMINISTRATIVE COMPLETENESS

Staff has reviewed the petition and supplemental information and, as detailed in the attached memorandum from Pai Liu, 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. LGI stated that it mailed a copy of its petition to the CCN holder, Mountain Peak SUD, by certified mail on the day the petition was filed with the Commission. LGI also included an affidavit attesting to this provision of notice to Mountain Peak SUD. Accordingly, Staff recommends that the notice is sufficient.

III. PROPOSED 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 Mountain Peak 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 LGI to file a reply to Mountain Peak SUD's response	27 days from the date of the order finding the petition administratively complete
Deadline for 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
<i>In the event streamlined expedited release is granted and LGI and Mountain Peak SUD can select an agreed-upon appraiser</i>	
Deadline for LGI and Mountain Peak 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 LGI to Mountain Peak SUD	Within 60 days after appraiser's report
Deadline for LGI to pay any compensation due to Mountain Peak SUD	Within 90 days of the Commission's final order on compensation

<i>In the event streamlined expedited release is granted and LGI and Mountain Peak SUD unable to select an agreed-upon appraiser</i>	
Deadline for LGI and Mountain Peak 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 ¹	Within 10 days after the Commission approves streamlined expedited release ²
Deadline for reports from LGI's appraiser and Mountain Peak 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 LGI to Mountain Peak SUD	Within 60 days after the Commission receives the final appraisal
Deadline for LGI to pay any compensation due to Mountain Peak SUD	Within 90 days of the Commission's final order on compensation

IV. REQUEST TO RESTYLE THE DOCKET

Based on Staff's review of LGI's name on the warranty deed that demonstrates LGI's ownership of the land at issue in this docket and the legal name in which LGI is registered with the Secretary of State's office, Staff has determined that the full legal name for LGI is *LGI Homes-Texas, LLC*. As such, Staff respectfully requests that the docket be restyled as *Petition of LGI Homes-Texas, LLC to Amend Mountain Peak Special Utility District's Certificate of Convenience and Necessity in Johnson County by Streamlined Expedited Release*. Staff notes that this request also includes the addition of the word streamlined to the docket style, based on LGI's clarification that its petition is for streamlined expedited release.

V. CONCLUSION

For the reasons detailed above, Staff recommends that the petition be found administratively complete, that the notice be found sufficient, that the proposed procedural schedule be adopted, and that the docket be restyled. Staff respectfully requests the entry of an order consistent with these recommendations.

¹ TWC § 13.2541(i).

² 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: June 6, 2022

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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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 via electronic mail on June 6, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Scott Miles
Scott Miles

Public Utility Commission of Texas

Memorandum

TO: Scott Miles, Attorney
Legal Division

FROM: Pai Liu, Infrastructure Analyst
Infrastructure Division

DATE: June 6, 2022

RE: Docket No. 53315 – *Petition of LGI Homes LLC to Amend Mountain Peak Special Utility District’s Certificate of Convenience and Necessity in Johnson County by Expedited Release*

On March 8, 2022, LGI Homes-Texas, LLC (LGI) filed a petition for expedited release from Mountain Peak Special Utility District's (Mountain Peak SUD) water Certificate of Convenience and Necessity (CCN) No. 10908 in Johnson County, under Texas Water Code (TWC) § 13.254(a-1) and 16 Texas Administrative Code (TAC) § 24.245(f). On May 25, 2022, LGI filed a third amended petition in part to clarify that it is petitioning for *streamlined* expedited release from Mountain Peak SUD’s water CCN No. 10908 under TWC § 13.2541 and 16 TAC § 24.245(h). LGI asserts that the land is at least 25 contiguous acres, is not receiving water service, and is located in Johnson County, which is a qualifying county.

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

Based on the mapping review by Dave Babicki, Infrastructure Division, the digital data submitted with Item 9 on May 4, 2022 and the maps submitted with Item 12 on May 25, 2022 are sufficient for determining the location of the tract of land considered for streamlined expedited release is located within Mountain Peak SUD’s water CCN. Dave Babicki determined the following:

The tract of land in the petition for streamlined expedited release is approximately 73.5 acres, of which approximately 73.5 acres overlap Mountain Peak SUD (CCN No. 10908) and would be decertified from CCN No. 10908.

Based on my technical and managerial review and the mapping review by Dave Babicki of the information provided by LGI on May 4, 2022 and May 25, 2022, I recommend the petition be deemed administratively complete and accepted for filing.