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DOCKET NO. 54181

APPLICATION OF WYLIE	§	PUBLIC UTILITY COMMISSION
NORTHEAST SPECIAL UTILITY	§	
DISTRICT TO AMEND ITS	§	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 certificate of convenience and necessity (CCN) number 21056 to add 73 acres of uncertificated area in Collin County. The Commission amends CCN number 21056 to add 73 acres of uncertificated area, to the extent provided in this Notice of Approval.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

1. Wylie Northeast SUD is a special utility district governed by and operating under chapters 49 and 65 of the Texas Water Code (TWC).
2. Wylie Northeast SUD operates, maintains, and controls facilities for providing retail sewer service in Collin County under CCN number 21056.
3. Wylie Northeast SUD purchases wastewater treatment service from the City of Wylie.

Application

4. On October 5, 2022, Wylie Northeast SUD filed the application at issue in this proceeding.
5. Wylie Northeast SUD supplemented its application on December 5, 7, 13, and 14, 2022, and July 19 and 20, October 10, and November 2, 2023.
6. On September 26, 2023, Wylie Northeast SUD amended its application to reduce the number of uncertificated acres it seeks to add to its CCN.
7. Wylie Northeast SUD's application, as amended and supplemented, requests to add approximately 73 uncertificated acres and no current connections.

8. The requested area is located approximately 1.4 miles northwest of downtown Saint Paul, Texas, and is generally bounded on the north by Barranca Trail, on the east by Huffines Boulevard and Treasure Trail, on the south by Osage Lane, and on the west by Farm-to-Market 1378.
9. The requested area includes Inspiration Phase 10, a planned subdivision currently in development.
10. In Order No. 4 filed on February 6, 2023, the administrative law judge (ALJ) found the application, as supplemented, administratively complete.

Notice

11. On February 27, 2023, Wylie Northeast SUD filed the affidavit of Eddy Daniel, P.E., Wylie Northeast SUD's authorized representative, attesting that notice was provided to all neighboring utilities, municipalities, and affected parties on February 13, 2023.
12. On March 27, 2023, Wylie Northeast SUD filed an amended publisher's affidavit attesting that notice was published in *The Wylie News*, a newspaper of general circulation in Collin County, on February 15 and 22, 2023.
13. In Order No. 5 filed on April 3, 2023, the ALJ found the notice sufficient.
14. In Order No. 7 filed on May 24, 2023, the ALJ required clarification on notice.
15. On June 12, 2023, Wylie Northeast SUD filed the affidavit of Mr. Daniel attesting that notice was mailed to municipalities, county authorities, and the developer.
16. On June 21, 2023, Wylie Northeast SUD filed the affidavit of Mr. Daniel attesting that there are no owners of a tract of land that is at least 25 acres and is wholly or partially included in the requested area other than the developer requesting service.
17. In Order No. 12 filed on December 7, 2023,¹ the ALJ found notice, as supplemented, sufficient.

¹ Order No. 12 filed on December 7, 2023, was numbered incorrectly and should have been filed as Order No. 13.

Evidentiary Record

18. In Corrected Order No. 16 filed on February 29, 2024, the ALJ admitted the following evidence into the record of this proceeding:
- a. Wylie Northeast SUD's application filed on October 5, 2022;
 - b. Wylie Northeast SUD's supplement filed on December 5, 2022;
 - c. Wylie Northeast SUD's supplement filed on December 7, 2022;
 - d. Wylie Northeast SUD's supplement filed on December 13, 2022;
 - e. Wylie Northeast SUD's clarification filed on December 14, 2022;
 - f. Wylie Northeast SUD's response to Commission Staff's first request for information (RFI) filed on January 10, 2023;
 - g. Commission Staff's supplemental recommendation on administrative completeness and notice and proposed procedural schedule filed on February 3, 2023;
 - h. Wylie Northeast SUD's proof of notice filed on February 27, 2023;
 - i. Wylie Northeast SUD's supplemental proof of notice filed on March 27, 2023;
 - j. Commission Staff's recommendation on sufficiency of notice and proposed procedural schedule filed on March 30, 2023;
 - k. Wylie Northeast SUD's signed consent form, with attachments, filed on May 16, 2023;
 - l. Wylie Northeast SUD's supplemental proof of notice filed on June 12, 2023;
 - m. Wylie Northeast SUD's supplemental proof of notice filed on June 21, 2023;
 - n. Wylie Northeast SUD's response to Commission Staff's second RFI filed on June 21, 2023;
 - o. Wylie Northeast SUD's supplement filed on July 19, 2023;
 - p. Wylie Northeast SUD's supplement filed on July 20, 2023;

- q. Wylie Northeast SUD's response to Commission Staff's third RFI filed on September 7, 2023;
 - r. Commission Staff's final recommendation on sufficiency of the application and proposed procedural schedule filed on September 13, 2023;
 - s. Wylie Northeast SUD's supplement filed on November 2, 2023;
 - t. Wylie Northeast SUD's signed consent form, with attachments, filed on December 12, 2023; and
 - u. Commission Staff's final recommendation filed on January 9, 2024.
19. In Order No. 18 filed on March 21, 2024, the ALJ admitted Wylie Northeast SUD's September 26, 2023 response to Order No. 11 as evidence in the record of this proceeding.

Adequacy of Existing Service

- 20. There are no existing customers in the requested area.
- 21. Sewer service is not currently being provided to the requested area.
- 22. Capital improvements will need to be installed for Wylie Northeast SUD to serve the requested area, which are expected to exceed \$100,000.

Need for Additional Service

- 23. The requested area is being developed as Inspiration Phase 10, a planned subdivision.
- 24. The developer of the requested area requested sewer service from Wylie Northeast SUD.

Effect of Approving the Transaction

- 25. Granting the CCN amendment will obligate Wylie Northeast SUD to provide sewer service to future customers in the requested area and such service must be continuous and adequate.
- 26. Nearby retail public utilities were properly noticed and none filed a protest or moved to intervene in this proceeding.
- 27. There will be no effect on any retail public utility servicing the proximate area.
- 28. Landowners in the area will have a sewer provider when they need to request sewer service.

Ability to Serve: Managerial and Technical

29. Wylie Northeast SUD has not been under an enforcement action by the Commission, Texas Commission on Environmental Quality (TCEQ), Texas Department of Health and Human Services, the Office of the Texas Attorney General, or the United States Environmental Protection Agency in the past five years for non-compliance with rules, orders, or state statutes.
30. The Commission's complaint records, which date back five years, show three complaints against Wylie Northeast SUD, all of which have been reviewed and closed.
31. Wylie Northeast SUD will provide service to the requested area through an agreement with the City of Wylie to transport the sewage to the North Texas Municipal Water District wastewater treatment plant for treatment.
32. Wylie Northeast SUD employs TCEQ-licensed operators who will be responsible for the operation of its sewer facilities.
33. Wylie Northeast SUD has the managerial and technical ability to provide continuous and adequate service to the requested area.

Feasibility of Obtaining Service from an Adjacent Retail Public Utility

34. The developer of the requested area requested sewer service from Wylie Northeast SUD.
35. The requested area is adjacent to Wylie Northeast SUD's existing sewer CCN boundaries.
36. It is not feasible to obtain service from an adjacent retail public utility.

Regionalization or Consolidation

37. It will not be necessary for Wylie Northeast SUD to construct a physically separate sewer system to serve the requested area.
38. 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

39. Wylie Northeast SUD has a debt-to-equity ratio that is less than one, satisfying the leverage test.

40. Wylie Northeast 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.
41. Wylie Northeast SUD filed executed copies of agreements between itself and the developer of the requested area in which the developer agreed to pay for the capital improvements necessary to provide continuous and adequate service to the requested area.
42. Wylie Northeast SUD provided a capital improvement plan, including a budget and an estimated timeline for construction of all facilities necessary to provide full service to the requested area, keyed to a map showing where such facilities will be located.
43. Wylie Northeast 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

44. There is no need to require Wylie Northeast SUD to provide a bond or other financial assurance to ensure continuous and adequate service to the requested area.

Environmental Integrity and Effect on the Land

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

Improvement in Service or Lowering of Cost to Consumers

46. Sewer service to the requested area will improve because Wylie Northeast SUD will be required to provide continuous and adequate sewer service to future customers in the requested area.
47. 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 Certificates

48. On December 12, 2023, Commission Staff emailed the proposed final map and certificate to Wylie Northeast SUD for review and consent.
49. On December 12, 2023, Wylie Northeast SUD filed its consent to the proposed final map and certificate with the map and certificate attached.

50. The map and certificate were filed as attachments to Wylie Northeast SUD's signed consent form filed on December 12, 2023.

Informal Disposition

51. More than 15 days have passed since the completion of the notice provided in this docket.
52. No person filed a protest or motion to intervene.
53. Wylie Northeast SUD and Commission Staff are the only parties to this proceeding.
54. No party requested a hearing, and no hearing is needed.
55. 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 §§ 13.041, 13.241, 13.242, 13.244, and 13.246.
2. Wylie Northeast SUD is a retail public utility as defined by TWC § 13.002(19) and 16 Texas Administrative Code (TAC) § 24.3(31).
3. Wylie Northeast SUD's application meets the requirements set forth in TWC § 13.244 and 16 TAC § 24.227 and 24.233.
4. Wylie Northeast 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 Administrative Procedure Act,² TWC, and Commission rules.
6. After consideration of the factors in TWC §§ 13.241(a) and 13.246(c) and 16 TAC § 24.227(a), Wylie Northeast SUD demonstrated it possess the financial, managerial, and technical capability to provide continuous and adequate water service to the requested area, as required by TWC § 13.241(a) and 16 TAC § 24.227.

² Tex. Gov't Code §§ 2001.001–.903.

7. Wylie Northeast SUD provided a firm capital commitment, in compliance with 16 TAC § 24.11(e)(5)(B).
8. Wylie Northeast SUD provided a capital improvement plan, including a budget and an estimated timeline for construction of all facilities necessary to provide full service to the requested area, keyed to a map showing where such facilities will be located to provide service, as required by 16 TAC § 24.233(a)(6).
9. 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.
10. It is not necessary for Wylie Northeast SUD to provide a bond or other financial assurance under TWC § 13.246(d) or 16 TAC § 24.227(f).
11. Wylie Northeast SUD demonstrated that the amendment of 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).
12. Under TWC § 13.257(r) and (s), Wylie Northeast 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 must submit evidence of the recording to the Commission.
13. The requirements for informal disposition in 16 TAC § 22.35 have been met in this proceeding.

III. Ordering Paragraphs

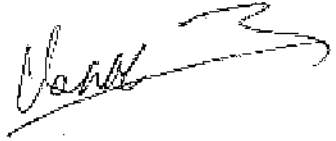
In accordance with these findings of fact and conclusions of law, the Commission issues the following orders.

1. The Commission amends Wylie Northeast SUD's CCN number 21056 to add the requested area as described in this Notice of Approval and 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 Northeast 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 Northeast SUD's sewer service policies, and such service must be continuous and adequate.
5. Wylie Northeast SUD must comply with the recording requirements of TWC § 13.257(r) and (s) for the areas of 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 expressly denies all other motions and any other requests for general or specific relief that have not been expressly granted.

Signed at Austin, Texas the 21st day of March 2024.

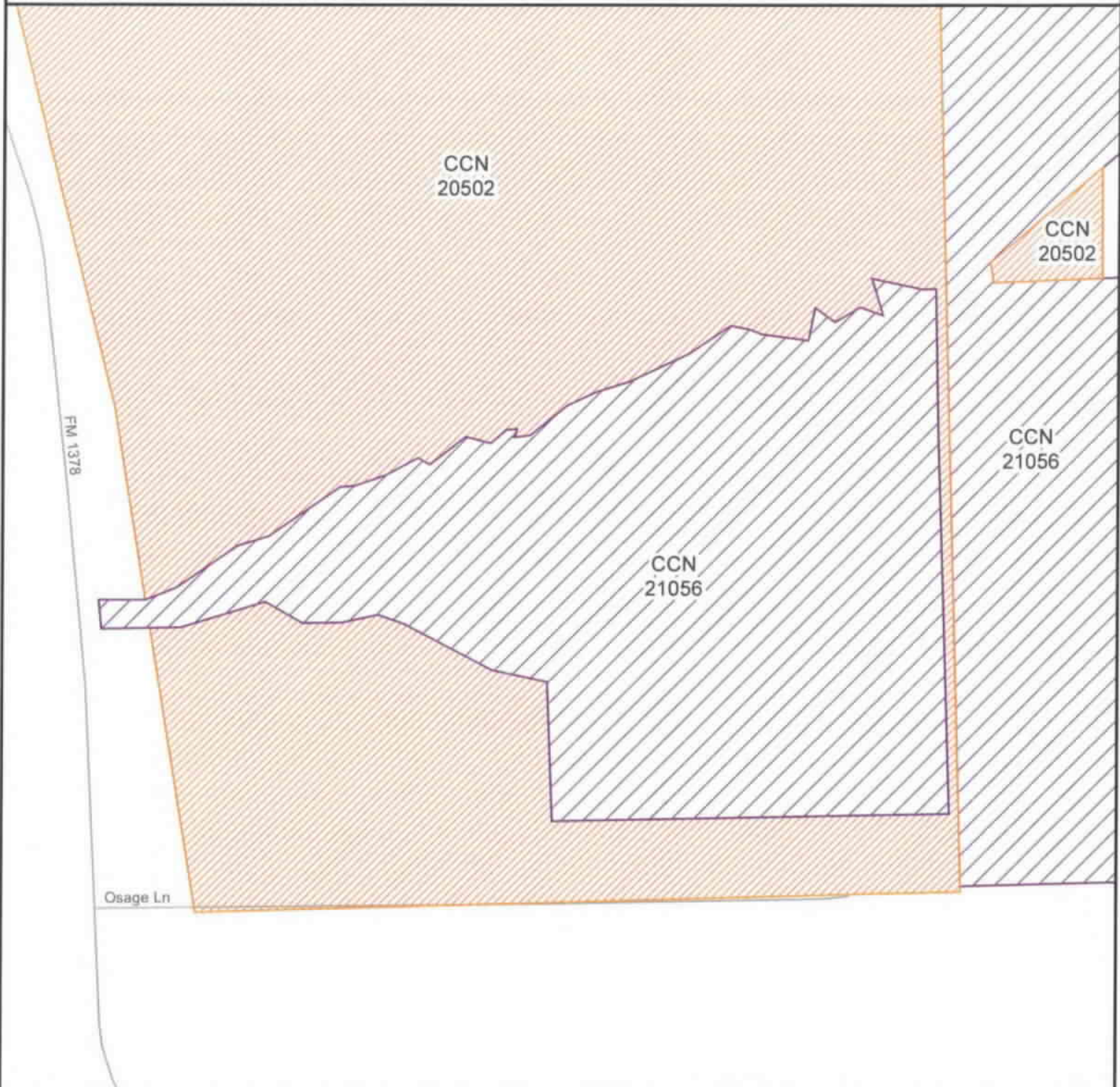
PUBLIC UTILITY COMMISSION OF TEXAS





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ADMINISTRATIVE LAW JUDGE

PUCT Docket No. 54181
Wylie Northeast Special Utility District
Portion of Sewer CCN No. 21056
Amended CCN No. 21056 in Collin County



Sewer CCN

-  21056 - Wylie Northeast SUD
-  20502 - Sies Lagos Utility District

0 250 500
Feet





Public Utility Commission of 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. 54181 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.