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DOCKET NO. 54208

PETITION OF UNDINE	§	PUBLIC UTILITY COMMISSION
DEVELOPMENT, LLC AND SOUTH	§	
CENTRAL WATER COMPANY FOR	§	OF TEXAS
APPROVAL OF A SERVICE AREA	§	
CONTRACT UNDER TEXAS WATER	§	
CODE § 13.248 AND TO AMEND	§	
CERTIFICATES OF CONVENIENCE	§	
AND NECESSITY IN HARRIS	§	
COUNTY	§	

NOTICE OF APPROVAL

This Notice of Approval addresses the petition by Undine Development, LLC and South Central Water Company for approval of a service-area contract under Texas Water Code (TWC) § 13.248 and to amend certificates of convenience and necessity (CCNs) in Harris County. The petitioners seek to transfer 117 acres of certificated service areas from South Central's CCN numbers 13061 and 20964 to Undine Development. The Commission approves the service-area contract and amends CCN numbers 12407, 13061, 20948, and 20964 to the extent provided in this Notice of Approval.

I. Findings of Fact

The Commission makes the following findings of fact.

Petitioners

- 1. South Central is a Texas corporation registered with the Texas secretary of state under file number 161296200.
- 2. South Central operates, maintains, and controls facilities for providing retail water service and sewer service in Harris County under CCN numbers 13061 and 20964, respectively.
- 3. Undine Development is a Texas limited liability company registered with the Texas secretary of state under file number 801768069.
- 4. Undine Development operates, maintains, and controls facilities for providing retail water service and sewer service in Harris County under CCN number 12407 and 20948, respectively.

Petition

- 5. On October 10, 2022, South Central and Undine Development executed a water and sewer service area transfer agreement (the service-area contract) to transfer 117 acres of service areas from South Central under CCN numbers 13061 and 20964 to Undine Development.
- 6. On October 13, 2022, South Central and Undine Development filed the petition at issue in this proceeding for approval of the service-area contract, to amend South Central's CCN numbers 13061 and 20964, and to amend Undine Development's CCN numbers 12407 and 20948 in Harris County.
- 7. On November 11, 2022, petitioners filed supplemental information.
- 8. The petition included a copy of the service-area contract executed by South Central and Undine Development.
- 9. The water and sewer service areas to be transferred are each 117 acres and identical in acreage and boundaries.
- 10. The 117 acres that will be transferred to Undine Development are within South Central's certificated service areas under CCN numbers 13061 and 20964 in Harris County.
- 11. There are no customers or facilities within the water and sewer service areas being transferred.
- 12. There will be no transfer of customers, assets, or facilities as a result of the service-area contract or petition.
- 13. In Order No. 3 filed on December 14, 2022, the administrative law judge (ALJ) found the petition administratively complete.

Notice

- 14. Individual notice is not required because there are no affected customers in the service areas being transferred from South Texas to Undine Development.
- 15. In Order No. 3 filed on December 14, 2022, the ALJ found the notice sufficient.

Maps and Certificates

16. On January 4, 2023, Commission Staff emailed its proposed maps and certificates to South Central and Undine Development.

- 17. On January 4, 2023, South Central filed its consent to the map and certificate.
- 18. On February 16, 2023, Undine Development filed its consent to the proposed maps and certificates provide by Commission Staff.

Evidentiary Record

- 19. In Order No. 5 filed on March 14, 2023, the ALJ admitted the following evidence into the record of this proceeding:
 - a) The petition filed on October 13, 2022;
 - b) The supplement to the petition filed on November 11, 2022;
 - c) Commission Staff's recommendation on administrative completeness and notice and proposed procedural schedule filed on December 2, 2022;
 - d) South Central's consent form filed on January 4, 2023;
 - e) Undine Development's consent form filed on February 16, 2023;
 - f) Commission Staff's final recommendation and proposed amended procedural schedule filed on February 22, 2023; and
 - g) The final proposed maps and certificates attached to the joint motion to admit evidence and proposed notice of approval filed on March 2, 2023.

Informal Disposition

- 20. No notice of the petition is required.
- 21. No person filed a protest or motion to intervene.
- 22. Undine Development, South Central, and Commission Staff are the only parties to this proceeding.
- 23. No party requested a hearing and no hearing is needed.
- 24. Commission Staff recommended approval of the petition.
- 25. 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 the petition under TWC §§ 13.041 and 13.248.
- 2. South Central and Undine Development are retail public utilities as defined in TWC § 13.002(19) and 16 Texas Administrative Code (TAC) § 24.3(31).
- 3. Under TWC § 13.248, contracts between retail public utilities designating areas to be served and customers to be served by those retail public utilities, when approved by the Commission, are valid and enforceable and incorporated into the affected CCNs.
- 4. The petition meets the requirements of TWC § 13.248 and 16 TAC § 24.253.
- 5. No notice of the petition is required under TWC § 13.248 and 16 TAC § 24.253(c).
- 6. The petition was processed in accordance with the TWC, the Administrative Procedure Act, and Commission rules.
- 7. Under TWC § 13.257(r) and (s), South Central and Undine Development must each record a certified copy of the approved maps and certificates, along with a boundary description of their respective service areas, in the real property records of Harris County within 31 days of this Notice of Approval and must submit evidence of the recording to the Commission.
- 8. 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 approves the service-area contract to the extent provided in this Notice Approval.
- 2. The Commission amends South Central's CCN numbers 13061 and 20964, as described in this Notice of Approval, and as shown on the maps attached to this Notice of Approval.

¹ Tex. Gov't Code §§ 2001.001-.903.

- 3. The Commission amends Undine Development's CCN numbers 12407 and 20964, as described in this Notice of Approval, and as shown on the maps attached to this Notice of Approval.
- 4. The Commission approves the maps attached to this Notice of Approval.
- 5. The Commission issues the certificates attached to this Notice of Approval.
- 6. Undine Development must provide service to every customer and qualified applicant for water service within the approved service area under CCN number 12407 who requests water service and meets the terms of Undine Development's water service policies, and such service must be continuous and adequate.
- 7. Undine Development must provide service to every customer and qualified applicant for sewer service within the approved service area under CCN number 20948 who requests sewer service and meets the terms of Undine Development's sewer service policies, and such service must be continuous and adequate.
- 8. South Central must provide service to every customer and qualified applicant for water service within the approved service area under CCN number 13061 who requests water service and meets the terms of South Central's water service policies, and such service must be continuous and adequate.
- 9. South Central must provide service to every customer and qualified applicant for sewer service within the approved service area under CCN number 20964 who requests sewer service and meets the terms of South Central's sewer service policies, and such service must be continuous and adequate.
- 10. South Central and Undine Development must each comply with the recording requirements in TWC § 13.257(r) and (s) for the areas in Harris County affected by the petition and file in this docket proof of the recording no later than 45 days after the date of this Notice of Approval.
- 11. The Commission denies all other motions and any requests for general or specific relief that have not been expressly granted.

Signed at Austin, Texas the 14th day of March 2023.

PUBLIC UTILITY COMMISSION OF TEXAS

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ADMINISTRATIVE LAW JUDGE

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Undine Development, LLC Portion of Water CCN No. 12407 PUC Docket No. 54208

13.248 Agreement Amended CCN No. 12407 and Decertified a Portion of South Central Water Company, CCN No. 13061 in Harris County



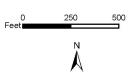


Public Utility Commission of Texas 1701 N. Congress Ave Austin, TX 78701

Water CCN



12407 - Undine Development LLC



Map by: Komal Patel Date: December 19, 2022 Project: 54208UndineWater.mxd

Undine Development, LLC Portion of Water CCN No. 20948 PUC Docket No. 54208

13.248 Agreement Amended CCN No. 20948 and Decertified a Portion of South Central Water Company, CCN No. 20964 in Harris County



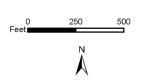


Public Utility Commission of Texas 1701 N. Congress Ave Austin, TX 78701

Sewer CCN



20948 - Undine Development LLC



Map by: Komal Patel Date: December 19, 2022 Project: 54208UndineSewer.mxd



Public Utility Commission of Texas

By These Presents Be It Known To All That

South Central Water Company

having obtained certification to provide water 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, South Central Water is entitled to this

Certificate of Convenience and Necessity No. 13061

to provide continuous and adequate water utility service to that service area or those service areas in Harris, Liberty and Montgomery counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 54208 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 South Central Water 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.



Public Utility Commission of Texas

By These Presents Be It Known To All That

South Central Water Company

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, South Central Water is entitled to this

Certificate of Convenience and Necessity No. 20964

to provide continuous and adequate sewer utility service to that service area or those service areas in Bexar, Comal, Harris, Liberty, Montgomery and Wilson counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 54208 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 South Central Water 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.



Public Utility Commission of Texas

By These Presents Be It Known To All That

Undine Development, LLC

having obtained certification to provide water 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, Undine Development, LLC is entitled to this

Certificate of Convenience and Necessity No. 12407

to provide continuous and adequate water utility service to that service area or those service areas in Harris and Travis counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 54208 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 Undine Development, LLC 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.



Public Utility Commission of Texas

By These Presents Be It Known To All That

Undine Development, LLC

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, Undine Development, LLC is entitled to this

Certificate of Convenience and Necessity No. 20948

to provide continuous and adequate sewer utility service to that service area or those service areas in Harris and Travis counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 54208 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 Undine Development, LLC 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.