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DOCKET NO. 54462

APPLICATION OF ORANGE COUNTY	§	PUBLIC UTILITY COMMISSION
WATER CONTROL & IMPROVEMENT	§	
DISTRICT NO. 1 AND WATER	§	OF TEXAS
NECESSITIES, INC. FOR SALE,	§	
TRANSFER, OR MERGER OF	§	
FACILITIES AND CERTIFICATE	§	
RIGHTS IN ORANGE COUNTY	§	

COMMISSION STAFF'S SUPPLEMENTAL RECOMMENDATION ON SUFFICIENCY OF NOTICE

On December 12, 2022, Orange County Water Control & Improvement District No. 1 (Orange County WCID No. 1) filed an application to amend Certificate of Convenience and Necessity (CCN) number 10115 in Orange County to reflect the acquisition of facilities and certificated service area from Water Necessities, Inc.'s CCN number 12243 in 1994. On February 28, 2023, Orange County WCID No. 1 filed a supplemental brief to amend the application for a sale, merger, or transfer of facilities. On May 17, 2023, Commission Staff filed on behalf of itself and Orange County WCID No. 1, a recommendation for processing this docket as the sale, transfer, or merger of facilities and certificate rights and requested the application be restyled accordingly.

On July 8, 2025, the administrative law judge (ALJ) filed Order No. 27, directing the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a recommendation on the sufficiency of corrected notice by August 8, 2025. Therefore, this pleading is timely filed.

I. SUFFICIENCY OF NOTICE

On July 7, 2025, Orange County WCID No. 1 filed a letter confirming mapping. Staff has reviewed the supplemental proof of notice and recommends that the notice be deemed deficient.

Specifically, based on the information provided by Orange County WCID No. 1 in previous affidavits, the following customers and parties did not receive notice:

Ms. Vicky Campos

Mr. Dalton Dalton

Ms. Jessica McCoy

Ms. Gracie Price

¹ Letter Confirming Mapping (Jul. 7, 2025).

The Honorable John Gothia, Orange County Judge

Further, no affidavit was provided for the notices provided on April 28, 2025.

Staff recommends that Orange County WCID No. 1 be ordered to provide notice to the customers and individuals listed above by providing notice via first-class mail to each landowner that is wholly or partly located in the requested area using the attached notice form provided by Ms. Garcia.

Once notice has been provided, Staff recommends that Orange County WCID No. 1 file proof of notice as described in Ms. Garcia's memo, including a copy of the notices, the signed affidavit for mailed notice for both this mailed notice and the April 28, 2025 proof of notice, a list specifying every person and entity to whom notice was provided, and a copy of the maps provided with the notice. Staff recommends that Orange County WCID No. 1 use the attached notice and affidavit to meet these requirements, and that Staff be given a deadline of September 8, 2025, to file a recommendation on sufficiency of notice.

Π. CONCLUSION

For the reasons detailed above. Staff recommends that the notice be deemed deficient, that Orange County WCID No. be ordered to file proof of notice by September 8, 2025, and that Staff be given a deadline of October 8, 2025, to file a on sufficiency of re-notice. Staff respectfully requests the entry of an order consistent with these recommendations.

Dated: August 8, 2025

Respectfully submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Marisa Lopez Wagley Division Director

lan Groetsch Managing Attorney

/s/ Kevin Pierce
Kevin Pierce
State Bar No. 24093879
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3480
(512) 936-7265
(512) 936-7268 (facsimile)
Kevin.Pierce@puc.texas.gov

DOCKET NO. 54462 CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document will be provided to all parties of record via electronic mail on August 8, 2025, in accordance with the Second Order Suspending Rules, issued in Project No. 50664.

/s/ Kevin Pierce
Kevin Pierce

Public Utility Commission of Texas

Memorandum

TO: Kevin Pierce, Attorney

Legal Division

FROM: Patricia Garcia, Infrastructure Analysis Section Director

Infrastructure Division

DATE: November 2, 2023

RE: Docket No. 54462 - Application of Orange County Water Control &

Improvement District No. 1 and Water Necessities, Inc. for Sale, Transfer, or

Merger of Facilities and Certificate Rights in Orange County

On December 12, 2022, Orange County Water Control & Improvement District No. 1 (Orange County WCID No. 1) filed with the Public Utility Commission of Texas (Commission) an application to amend its water Certificate of Convenience and Necessity (CCN) No. 10115 in Orange County, Texas under Texas Water Code (TWC) §§ 13.242 through 13.250 and 16 Texas Administrative Code (TAC) §§ 24.225 through 24.237.

On February 28, 2023, Orange County WCID No. 1 and Water Necessities, Inc. (Water Necessities) (collectively, Applicants) filed an application for sale, transfer, or merger (STM) of facilities and certificate rights in Orange County, Texas, under Texas Water Code (TWC) § 13.301 and 16 Texas Administrative Code (TAC) § 24.239.

Specifically, Orange County WCID No. 1, CCN No. 10115, seeks approval to acquire facilities and to transfer all of the water service area from Water Necessities under water CCN No. 12243.

Based on the mapping review by Dave Babicki, Infrastructure Division, the revised maps and clarification statement submitted with Item 23 on September 1, 2023 are sufficient.

Requested Area 1:

• The *requested area 1* includes 230 customer connections and approximately 90 acres, comprised of transferred area from Water Necessities, Inc. (CCN No. 12243) to Orange County Water Control and Improvement District No. 1 (CCN No. 10115).

Requested Area 2:

 The requested area 2 includes 40 customer connections and approximately 49.9 acres, comprised of transferred area from Water Necessities, Inc. (CCN No. 12243) to Orange County Water Control and Improvement District No. 1 (CCN No. 10115).

Total Requested Area:

- The *total requested area* includes 270 customer connections and approximately 139.9 acres, comprised of transferred area from Water Necessities, Inc. (CCN No. 12243) to Orange County Water Control and Improvement District No. 1 (CCN No. 10115).
- The application proposes the subtraction of approximately 139.9 acres from CCN No. 12243 and the addition of approximately 139.9 acres to CCN No. 10115.

Based on the mapping review and my technical and managerial review of the additional information filed on September 1, 2023, I recommend that the application be deemed administratively complete. I further recommend that the Applicants be ordered to do the following:

- 1) Provide notice of the application by first-class mail to the following:
 - a. Cities, districts, and neighboring retail public utilities providing the same utility service whose corporate boundaries or certificated service area are located within two miles from the outer boundary of the requested area:
 - Angelina & Neches River Authority
 - City of Pine Forest
 - City of Royse City
 - City of Vidor
 - Community Water Systems (CCN No. 11438)
 - Orange County Drainage District
 - Orange County Navigation and Port District
 - Sabine River Authority
 - T & W Water Service Company (CCN No. 12892)
 - b. The county judge of each county that is wholly or partially included in the requested area:
 - Orange County Judge
 - c. Each groundwater conservation district that is wholly or partially included in the requested area:
 - None
 - d. Each owner of a tract of land that is at least 25 acres and is wholly or partly located in the requested area. Notice must be mailed to the owner of the tract of land according to the most current tax appraisal rolls of the applicable central appraisal district at the time the application was filed.
 - e. Any affected customers, and other affected parties in the requested area.

Addresses can be obtained from the Water Utility Database at http://www.puc.texas.gov/watersearch. District information and addresses can be

obtained from the Texas Commission on Environmental Quality's (TCEQ) web site located at https://www14.tceq.texas.gov/iwud/index.cfm.

- 2) Provide notice using the attached notice forms.
- 3) Provide a copy of the maps deemed sufficient during administrative review delineating the requested area with each individual notice to neighboring utilities, other affected parties, landowners, and customers.
- 4) Within 30 days of the date the notice was mailed, Orange County WCID No. 1 must file in the docket:
 - a. A copy of the notices (1 example of each type of notice).
 - b. The general location and detailed maps deemed sufficient during administrative review.
 - c. The signed affidavits for the mailed notices.
 - d. A list specifying every person and entity to whom notice was provided.
 - e. If there are multiple landowners provide a list of the applicable county appraisal district parcels located within the requested area. The list should include the following for a landowner of a tract of land that is at least 25 acres or more and is wholly or partially within the requested area;
 - i. Each property ID;
 - ii. Landowner Name;
 - iii. Address; and
 - iv. The acreage owned by each listed landowner.

Staff may determine that additional information is needed to make a final recommendation in this docket. If additional information is needed, Staff may send requests for information (RFI) to the Applicants. The Applicants will have 20 days from the receipt of the RFI to respond.

Notice to Current Customers, Neighboring Systems, and Cities ORANGE COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 1, CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO. 10115, NOTICE OF INTENT TO PURCHASE WATER FACILITIES AND TO TRANSFER WATER SERVICE AREA UNDER CCN NO. 12243 FROM WATER NECESSITIES, INC. IN ORANGE COUNTY. TEXAS

To: (Name of Cu	ustomer, Neighboring System, or City)	Date Notice Mailed:, 20	_, 20
(Address)			
(City	State Zip)		
Orange County V (Purchaser's Name)	Water Control & Improvement District No.	1	
460 E. Bolivar	Vidor, TX	7766	52
(Address)	(City), (State)	(Zip Cod	c)
purchase all of the	n application with the Public Utility Combe water facilities and to transfer water cert e County, TX from:	` '	

The sale is scheduled to take place if approved by the Commission (Texas Water Code § 13.301). The transaction and the transfer of the CCN includes the following:

(Address)

1020 N. Main Street

Vidor, TX

(City), (State)

77662

(Zip Code)

Requested Area 1:

(Seller's Name)

Water Necessities, Inc.

The **requested area 1** includes <u>230</u> customer connections, is located approximately <u>1</u> mile(s) <u>north</u> of downtown <u>Pine Forest</u>, Texas, and is generally bounded on the north by <u>Decker Road</u>; on the east by <u>Farm to Market 105</u>; on the south by <u>Farm to Market 1131</u>; and on the west by <u>Tenmile</u> Creek.

The requested area includes approximately <u>90</u> acres, comprised of transferred area from Water Necessities, Inc. (CCN No. 12243) to Orange County Water Control and Improvement District No. 1 (CCN No. 10115).

Requested Area 2:

The **requested area 2** includes <u>40</u> customer connections, is located approximately <u>1.2</u> mile(s) <u>northwest</u> of downtown <u>Vidor</u>, Texas, and is generally bounded on the north by <u>Smith Lake</u>; on the east by <u>Marsha</u>; on the south by <u>the intersection of Pine Street and Texas Street</u>; and on the west by Tiger Creek.

The requested area includes approximately <u>49.9</u> acres, comprised of transferred area from Water Necessities, Inc. (CCN No. 12243) to Orange County Water Control and Improvement District No. 1 (CCN No. 10115).

Total Requested Area:

The **total requested area** includes <u>270</u> customer connections, and approximately <u>139.9</u> acres, comprised of transferred area from Water Necessities, Inc. (CCN No. 12243) to Orange County Water Control and Improvement District No. 1 (CCN No. 10115).

The application proposes the subtraction of approximately <u>139.9</u> acres from CCN No. 12243 and the addition of approximately 139.9 acres to CCN No. 10115.

See enclosed maps showing the requested area.

This transaction will not have an effect on the current customer's rates and services.

Persons who wish to intervene in the proceeding or comment upon action sought should contact the Public Utility Commission, P.O. Box 13326, Austin, Texas 78711-3326, or call the Public Utility Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. The deadline for intervention in the proceeding is (30 days from the mailing or publication of notice, whichever occurs later, unless otherwise provided by the presiding officer). You must send a letter requesting intervention to the commission which is received by that date. The letter must include the person's name, address, email address and fax number if applicable.

If a valid public hearing is requested, the Commission will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, SOAH will submit a recommendation to the Commission for final decision. An evidentiary hearing is a legal proceeding similar to a civil trial in state district court.

A landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the requested area, may file a written request with the Commission to be excluded from the requested area ("opt out") within (30) days from the date that notice was provided by the Utility. All opt out requests must include a large-scale map, a metes and bounds description of the landowner's tract of land, landowner's name, address, email address and fax number, if applicable.

A landowner that opts out from the requested area releases the applicant's obligation to provide retail water or sewer utility service to the removed land for any reason.

Si desea información e	n español, puede llamar a	1 1-888-782-8477.
Utility Representative		
Utility Name		

PUBLIC UTILITY COMMISSION OF TEXAS



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, NEIGHBORING UTILITIES, AND AFFECTED PARTIES DOCKET NO. 54462

STATE OF TEXAS COUNTY OF		
		provided individual
notice via first-class mail to the following entities, as	•	omers: FE OF NOTICE
OATH		
owner, member of partnership, title of officer of corpapplicant); that in such capacity, I am qualified and personally familiar with the notices given with this a requirements in the application and application accepand matters set for therein are true and correct.	_ (indicate relationship poration, or other authori l authorized to file and opplication, and have con	to applicant, that is, zed representative of verify such form, am uplied with all notice
Applicant's Authorized Representative		
If the applicant to this form is any person other than the or its attorney, a properly verified Power of Attorney		ficer of the applicant,
Subscribed and sworn to before me this to certify which witness my hand and seal of office.	day of	, 20,
Notary Public in and for the State of Texas		
Print or Type Name of Notary Public		
Commission Expires		

Notice to Landowners

ORANGE COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 1, CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO. 10115, NOTICE OF INTENT TO PURCHASE WATER FACILITIES AND TO TRANSFER WATER SERVICE AREA UNDER CCN NO. 12243 FROM WATER NECESSITIES, INC. IN ORANGE COUNTY, TEXAS

Го:			D	ate Notice Mailed:	, 20
	(Name of Customer, Ne	ighboring System			
	(Address)				
	(City	State	Zip)		
	ge County Water Co	ntrol & Impi	rovement District No. 1		
460 E	. Bolivar		Vidor, TX		77662
(Addres	s)		(City), (State)		(Zip Code)
purch		facilities and	he Public Utility Comr d to transfer water certif		
Water	Necessities, Inc.		1020 N. Main Street	Vidor, TX	77662
(Seller)	s Name)		(Address)	(City), (State)	(Zip Code)

The sale is scheduled to take place if approved by the Commission (Texas Water Code § 13.301). The transaction and the transfer of the CCN includes the following:

Requested Area 1:

The **requested area 1** includes <u>230</u> customer connections, is located approximately <u>1</u> mile(s) <u>north</u> of downtown <u>Pine Forest</u>, Texas, and is generally bounded on the north by <u>Decker Road</u>; on the east by <u>Farm to Market 105</u>; on the south by <u>Farm to Market 1131</u>; and on the west by <u>Tenmile Creek</u>.

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Utility Representative		
Utility Name		

PUBLIC UTILITY COMMISSION OF TEXAS



AFFIDAVIT OF NOTICE TO LANDOWNERS DOCKET NO. 54462

COUNTY OF	
	has
inside the requested CCN area.	owning tracts of land over 25 acres wholly or partly
☐ Provided individual notice via first-clas land over 25 acres wholly or partly insid	s mail to the following landowners owning tracts of the requested CCN area:
	DATE OF NOTICE
	OATH
owner, member of partnership, title of office	, being duly sworn, file this form as (indicate relationship to applicant, that is, r of corporation, or other authorized representative of
personally familiar with the notices given w	fied and authorized to file and verify such form, amend the this application, and have complied with all notice on acceptance letter; and that all such statements made ct.
Applicant's Authorized Representative	
If the applicant to this form is any person other or its attorney, a properly verified Power of	er than the sole owner, partner, officer of the applicant, Attorney must be enclosed.
Subscribed and sworn to before me this to certify which witness my hand and seal or	day of
Notary Public in and for the State of Texas	
Print or Type Name of Notary Public	
Commission Expires	
Notice Form Updated: August 2, 2023	