



## **Filing Receipt**

**Filing Date - 2023-07-10 01:11:58 PM**

**Control Number - 54464**

**Item Number - 18**

**DOCKET NO. 54464**

<b>APPLICATION OF ORANGE COUNTY</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>WATER CONTROL &amp;</b>	<b>§</b>	
<b>IMPROVEMENT DISTRICT NO. 1</b>	<b>§</b>	<b>OF TEXAS</b>
<b>(LEXINGTON) AND LEXINGTON</b>	<b>§</b>	
<b>WATER SYSTEMS FOR SALE,</b>	<b>§</b>	
<b>TRANSFER, OR MERGER OF</b>	<b>§</b>	
<b>FACILITIES AND CERTIFICATE</b>	<b>§</b>	
<b>RIGHTS IN ORANGE COUNTY</b>		

**COMMISSION STAFF'S CLARIFICATION IN RESPONSE TO ORDER NO. 6**

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 11560 in Orange County. 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 June 30, 2023, Commission Staff filed on a supplemental recommendation on Orange County WCID No. 1's application and supplements thereto.

On July 6, 2023, the administrative law judge (ALJ) filed Order No. 6, ordering Commission Staff to provide clarification regarding the inclusion of a memorandum from Patricia Garcia, Infrastructure Division by July 13, 2023. Therefore, this pleading is timely filed.

**I. CLARIFICATION**

Commission Staff inadvertently failed to attach the appropriate memorandum from Ms. Garcia and attaches the memorandum now. Commission Staff has already provided the memorandum to Orange County WCID No. 1 in a separate communication. Staff apologizes for this oversight.

**II. CONCLUSION**

Staff renews its recommendation that the application be found administratively incomplete and that Orange County WCID No. 1 be ordered to file supplemental information to cure the deficiencies in the application by July 30, 2023 and for Staff to be given a deadline of August 30, 2023 to file a supplemental recommendation. Staff respectfully requests the entry of an order consistent with these recommendations.

Dated: July 10, 2023

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

Marisa Lopez Wagley  
Division Director

Jena Abel  
Deputy Division Director

John Harrison  
Senior 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. 54464**

**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 July 10, 2023 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:** June 30, 2023

**RE:** Docket No. 54464 – *Application of Orange County Water Control & Improvement District No. 1 (Lexington) and Lexington Water Systems 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 Lexington Water System, Inc. (Lexington Water) (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 Lexington Water under water CCN No. 11560.

Based on the mapping review and my technical and managerial review of the additional information filed by Orange County WCID No. 1 on February 28, 2023 and April 20, 2023, I recommend that the application be deemed administratively incomplete and not accepted for filing.

### **Application Content:**

Please provide the following:

1. Responses to questions 5, 12, 15, and 23.
2. The Emergency Preparedness Plan (EPP) status with the Texas Commission on Environmental Quality for both Orange County WCID No. 1 and Lexington Water.
3. The application indicates Orange County WCID No. 1 has had enforcement action by a regulatory agency in the past, provide documentation showing how this

enforcement action was resolved.

4. Confirm or deny that the rates charged to the customers in the requested area are rates approved by the board of Orange County WCID No. 1.
5. Signed oaths from both Lexington Water and Orange County WCID No. 1.

**Mapping Content:**

Based on the mapping review by Tracy Montes, Infrastructure Division, revised maps requested on January 12, 2023, have not been submitted with Item 7 on February 28, 2023, therefore, maps remain deficient.

Orange County WCID No. 1 must submit the following items to resolve the mapping deficiencies:

- A general location map identifying only the requested area, in reference to the nearest county boundary, city, or town.
- A detailed map identifying only the requested area, in reference to verifiable man-made and natural landmarks, such as roads, rivers, and railroads.

Staff recommends Orange County WCID No. 1 obtain additional mapping guidance from the PUC's mapping staff, Tracy Montes by email at [dave.babicki@puc.texas.gov](mailto:dave.babicki@puc.texas.gov) to resolve the mapping deficiencies.

Staff will need at least 30 days to review the documentation, maps, and digital data provided by Orange County WCID No. 1 and draft a recommendation.

Note: Any confidential items should be submitted as confidential filings with the PUC. The instructions for filing confidential documents can be found on our website at: (<http://www.puc.texas.gov/industry/filings/FilingProceed.aspx>).